

6TH
ANNUAL
REPORT

Social Security
Board

1941

FEDERAL SECURITY AGENCY

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Sixth Annual Report
of the
Social Security Board
1941

For the Fiscal Year Ended
June 30, 1941; With Supplementary Data
July 1–October 31, 1941

FEDERAL SECURITY AGENCY

HD 7122

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1941

FEDERAL SECURITY AGENCY

SOCIAL SECURITY BOARD

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LETTER OF TRANSMITTAL

SOCIAL SECURITY BOARD,
Washington, D. C., October 31, 1941.

THE HONORABLE PAUL V. McNUTT,
Administrator, Federal Security Agency.

DEAR MR. McNUTT:

I have the honor to transmit the Annual Report of the Social Security Board for the fiscal year ended June 30, 1941, for submission to the Congress as required by section 704 of the Social Security Act.

Respectfully submitted.

ARTHUR J. ALTMAYER,
Chairman.

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*SIXTH ANNUAL REPORT OF THE
SOCIAL SECURITY BOARD*

• I •

The Sixth Year in Summary

THE NATION'S NEED for a social security program was clearly recognized in the depression years of the early 1930's. Communities were obviously unable to cope with the demands upon them through the patchwork of public and private resources at their command. It was apparent that immediate and systematic action was necessary to alleviate existing destitution and to forestall to at least some extent the further operation of forces which made for economic insecurity. Even in that depression period, however, it was recognized that insecurity is not a product of bad times alone. The messages of the President of the United States, the preparatory studies of the Committee on Economic Security, and the congressional deliberations which preceded the passage of the Social Security Act in 1935 all emphasized the fact that insecurity is the outcome of factors which had been operative for many years in the United States. The law proposed and enacted was designed as the foundation of a permanent structure to be strengthened and extended in the future.

The fiscal year ended June 30, 1941, has given the first real opportunity to gauge the social security program in a period of great industrial activity. When employment began its upward swing in the autumn of 1940, the employment security and the Federal old-age and survivors insurance programs were in full operation throughout the country. During the fiscal year all 48 States, Alaska, Hawaii, and the District of Columbia were collaborating with the Federal Government in programs of old-age assistance. Although State participation in the programs for aid to dependent children and aid to the blind was not yet Nation-wide, there were 41 States in which, by the end of the fiscal year, all three special types of assistance were provided with the aid of the matching Federal grants to States under the act. Provisions of the act administered by other Federal agencies for public health services and services for maternal and child health and welfare and vocational rehabilitation were in operation in all States and Territories and in Puerto Rico. This sixth year, therefore, has tested the capacity of the program to adjust to rapidly changing economic conditions and has shown the importance of measures for social security at a time when employment and pay rolls were approaching record levels.

Social Security in 1940-41

Developments in the programs for which the Social Security Board is responsible and the Board's recommendations for further progress in social security are summarized briefly in this chapter. Particulars concerning each of the programs and general administrative activities are given in the following chapters and appendixes.

Old-Age and Survivors Insurance

Under the Federal system of old-age and survivors insurance there was a rapid rise in both the number of beneficiaries and the amount of benefits. In July 1940 monthly benefits totaling \$2.7 million were certified for 121,000 beneficiaries—workers and their dependents and survivors; in the last month of the fiscal year, June 1941, 341,000 persons received \$6.5 million in monthly benefits. A sharp increase is to be anticipated at the beginning of an insurance program which provides the payment of regular monthly benefits for, in general, long periods of time; for many years to come the beneficiaries added to the rolls will outnumber those whose names are removed by reason of death or other causes. The actual rise, however, has been less than was expected. The demand for workers, and especially for skilled workers, made it possible for many aged persons to continue at work rather than to retire and claim benefits for which they, and in some instances also members of their families, were eligible, and large numbers apparently chose to do so. As of June 30, 1941, moreover, there were about 27,000 persons who had been entitled to benefits but were not receiving them currently because they preferred to work in covered employment.

Increases in covered employment and taxable pay rolls resulting from the defense program served greatly to increase both the number of workers who earned some credits toward old-age and survivors insurance during the year and the extent of those credits. It is estimated that some 35 million persons, nearly two-thirds of the labor force of the United States, earned some wages in covered employment in the calendar year 1940. In the fiscal year, which included the acceleration of industry in the spring of 1941, the proportion was undoubtedly higher. Contributions collected from employers and employees during the fiscal year, at the rate of 1 percent each on taxable wages paid, amounted to \$688.1 million, and interest credited on investments of the Federal old-age and survivors insurance trust fund to \$56.0 million. As of June 30, 1941, assets of the trust fund totaled \$2.4 billion, an increase of \$652.9 million from the total a year earlier. Transfers of \$26.8 million were made from the fund to repay

the Treasury for costs incurred by the Board and the Treasury in administering the program.

Employment Security

The most dramatic developments in 1940-41 were those revealed by the employment security program. After the many years of idle men and idle machines, industry's wheels turned with increasing momentum to meet the Nation's needs for national defense. The crux of the problem of the employment offices was not to find jobs for men but men for jobs.

Demands for labor were sudden and uneven and threatened to cause mass migrations of job seekers and a widespread disruption of the labor market disastrous to the defense program and costly to workers, employers, and communities. It became urgently important to marshal labor resources and to mobilize workers with the skills essential for the rapidly increased volume of cantonment construction, shipbuilding, and manufacturing immediately required for national defense. Shortages of workers in many specialized occupations necessitated recruiting all who had or might quickly acquire the needed skills, retraining of workers whose skills had grown rusty from disuse, and training of others. Effective use of existing labor resources and training programs made necessary a continuous survey of the labor market in general and of the special needs of particular industries and localities.

Fortunately, the means of quick action was at hand in the United States Employment Service, a Nation-wide network of public employment offices administered by the States with the aid of Federal grants under the Social Security and Wagner-Peyser Acts and with aid in their operations and activities through technical assistance furnished by the Social Security Board. Through the consolidation of employment service and unemployment compensation functions, operations of the employment offices had been greatly extended and strengthened since the beginning of the social security program, with greater understanding and cooperation on the part of labor, employers, and communities. For the past 8 years, moreover, the Employment Service has been making job analyses to ascertain the particular skills required in specialized occupations. Each step, process, or part, of thousands of jobs has been described, in consultation with employers and unions, in terms of the trade. A Dictionary of Occupational Titles, with entries and definitions covering more than 17,000 separate and distinct jobs, was issued in 1940. The results of this long and careful study have proved invaluable in meeting the demands for defense production. Through its use, the Employment Service has

been able to determine the particular skills used by the many types of workers in thousands of branches of peacetime production and to tell which of these skills can be turned to account, with the least loss of time or waste of effort, for production of the ships, guns, tanks, planes, and other armaments suddenly required for the arsenal of democracy. The detailed job descriptions have also been widely used to simplify production processes in order to speed up defense production and to break down intricate jobs into simpler operations which can be performed by unskilled or semiskilled workers.

By the end of the fiscal year the United States Employment Service had assumed a central position in helping to guide and implement the Nation's defense effort. Assuring adequate supplies of labor, locally and throughout the country, for private plants and Government shipyards and arsenals has become the major responsibility of the Service. Representatives of the Board, designated as regional labor-supply officers of the Office of Production Management, head regional labor-supply committees which include representatives of labor, industry, and the public. In this way, scores of local problems are resolved by the united action of the groups immediately concerned. Through these committees and the 1,500 local employment offices, information is assembled concerning the localities where lay-offs are impending and those where there is or will be a demand for additional workers. The Employment Service advises the Office of Production Management where defense contracts are needed to avert "priorities unemployment" and to promote defense production, and what particular opportunities a community offers in terms of occupational skills, equipment, and other resources. Its job analysts consult with employers to advise how they can best adapt their resources in plant and personnel when public interest and shortages of materials for civilian use require a shift from other activities to production for national defense—when, for example, a plant shifts from production of refrigerators, washing machines, or kitchen utensils to production of guns or shells. The employment offices refer workers to the jobs for which they are needed, find labor for employers by locating workers with appropriate skills, and provide information on the training programs required for occupations in which the available supply of workers is inadequate or nearing exhaustion. As a result of these efforts, local labor supplies are fully utilized and importation of workers is held to the minimum. Both in the organization for marshaling the labor supply and directing workers to jobs and in the underlying technical knowledge required to make that organization function quickly, specifically, and with a minimum of waste effort and hardship to workers and employers, the present defense emergency has found the United States far better

equipped to meet the Nation's needs than at the time of the first World War.

The number of placements made by the employment offices during the fiscal year was the highest on record except for periods when Federal work projects accounted for large volumes of placements. There were 4.6 million complete placements, in which an employment office performed all the steps in placing a worker, and an additional 1.6 million supplementary placements in which the office carried through some but not all processes whereby a worker got a job. In the last quarter of the fiscal year complete placements averaged more than 470,000 a month and supplementary placements nearly 107,000 a month.

As jobs opened up, the levels of unemployment fell. In early months of the fiscal year there was a seeming anomaly in that the number of persons receiving unemployment benefits and the total amount of benefits exceeded, in many States, those for the same month a year earlier. This change was due in large part to the fact that, with somewhat fuller employment, more workers had acquired benefit rights on which they could draw during intermittent periods when they were out of a job. As the defense program got under way, however, unemployment fell so sharply that most States reported large declines from corresponding months of the previous year in benefit payments and in the number of beneficiaries. For the fiscal year as a whole, benefit payments under the laws of the 48 States, Alaska, Hawaii, and the District of Columbia amounted to \$433.4 million as compared with \$482.5 million in the fiscal year 1939-40. About 3.9 million persons drew benefit payments in the fiscal year 1940-41, as compared with 5.2 million in the previous year. Difference between the two periods widened progressively during the spring of 1941. In January 1941 the weekly average of beneficiaries was 826,000, 6 percent below that for January 1940. By March the weekly number had dropped to 762,000 or 30 percent below the 1940 figure, and in June it stood at 683,000, a decline of 46 percent from the number in the preceding June. There was a parallel decline in the total amount of benefit payments under the 51 laws. Payments in June 1941 amounted to \$30.5 million, 43 percent less than those for June 1940.

It is estimated that, as of June 30, 1941, about 35 million workers had wage credits under State unemployment compensation laws, an increase of 2 million from the number a year earlier. The gain in covered employment represents a major part of the year's total increase in all nonagricultural employment. Unemployment, however, has not decreased as rapidly as employment has risen. There has been a

marked increase in the labor force, since many young persons have entered the labor market for the first time, while experience under the old-age and survivors insurance program and other evidence give reason to believe that many older persons postponed retirement. The opportunities afforded by the defense program also have drawn into the labor force some persons who previously had not been seeking work and hence were not accounted unemployed, among them older workers, women, and young persons who might have continued schooling had the chance for a job not arisen. This situation was reflected to some extent in the fact that 7.7 million of the 17.9 million applications for work received during the year by the public employment offices were new applications; in the previous year there were 6.3 million new applicants. At the end of the fiscal year 5.1 million persons were actively seeking work through the employment offices, about 11 percent less than the 5.7 million registrants a year earlier. For many of the occupations essential to the defense program, such as those in tool and die making and in shipbuilding trades, the demand for workers far exceeded the supply of registrants.

Collections under State unemployment compensation laws, representing almost wholly contributions by employers, totaled \$888 million for the fiscal year, a rise of \$34 million from the year preceding. Increases occasioned by higher levels of pay rolls would have been greater had it not been for changes, in some States, in the tax base, the effective rate of contributions, or the timing of collections. As of June 30, 1941, the funds available for benefit payments under the 51 State laws totaled \$2.1 billion, including amounts in State clearing accounts and benefit-payment accounts and amounts on deposit to the credit of State agencies in the unemployment trust fund maintained in the United States Treasury. Interest credited during the year on State deposits in the trust fund totaled \$45.9 million. The total amount available for benefit payments under State unemployment compensation laws was greater by \$398 million than that a year earlier, notwithstanding the transfer of more than \$100 million from State accounts to the railroad unemployment insurance account in the unemployment trust fund. As in past years, there have been wide differences among the States in the relation of collections to benefit payments during the year and in the relative size of the State reserves for such payments.

The Social Security Board is responsible for certifying the Federal grants made under the Social Security Act for administration of State unemployment compensation laws, including employment service functions essential to that program, and for allocating Federal funds for employment services under the Wagner-Peyser Act. Grants

certified under the former for the fiscal year 1940-41 totaled \$62.5 million; under the latter, \$3.2 million.

Public Assistance

The course of the public assistance programs during the fiscal year has differed from that of the insurance programs. Most State public assistance plans had been in effect for several years, and some State programs antedated the passage of the Social Security Act. As in the previous year, approved plans for old-age assistance were in effect for all 48 States, Alaska, Hawaii, and the District of Columbia, and approved plans for aid to the blind were in effect for 43 jurisdictions. Plans for aid to dependent children in Mississippi and South Dakota were approved by the Social Security Board during the year, bringing to 44 the total number of jurisdictions with approved plans for this type of aid. The assistance program as a whole has completed its initial period of rapid development under the Social Security Act and is expanding at a decreased rate. The increase in opportunities for employment can have only limited effect upon the economic status of most aged or blind persons or on that of children who have been deprived of support or care by the death, absence, or incapacity of a parent.

Payments for the fiscal year to recipients of assistance under all approved plans totaled \$660.4 million, an increase of 14 percent from the previous year. As in the past, by far the largest part—\$505.1 million—represented old-age assistance. Payments for dependent children amounted to \$141.6 million and payments to the blind, \$13.7 million. During the year the number of recipients of old-age assistance increased by 200,000 to 2.2 million in June 1941; for aid to dependent children the year recorded increases of 115,000 in the number of children aided and 47,000 in the number of families, bringing the roll to 917,000 children in 380,000 families in June 1941; for aid to the blind the 50,000 recipients in that month represented an increase of 2,000 from the June preceding. While the increases in aid to dependent children were proportionately greater than those for the other two programs, doubtless in part as a result of increased Federal financial participation in this program, it seems probable that the volume of aid provided for children still is relatively less in relation to the need for assistance than that for the aged and the blind.

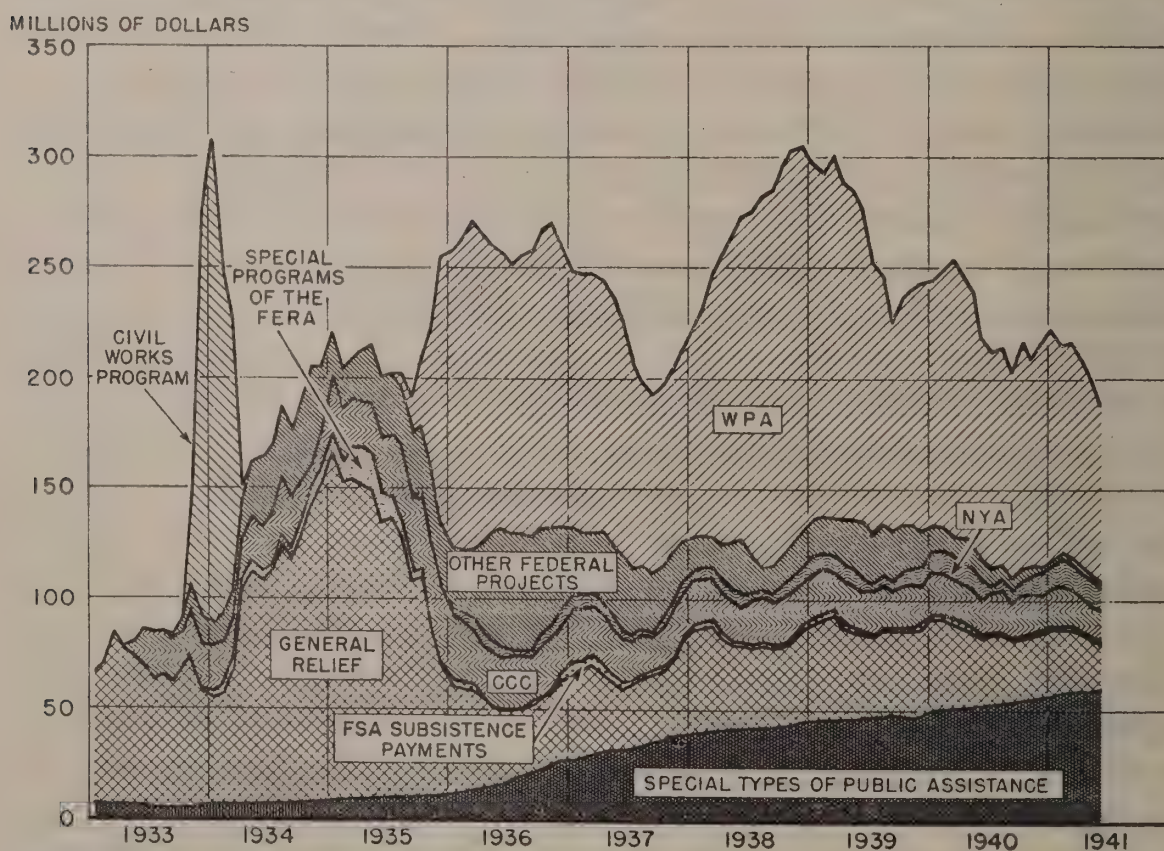
Federal grants to States certified by the Board for the fiscal year under the public assistance provisions of the Social Security Act totaled \$329.9 million, an increase of \$46.5 million from the total for the year 1939-40. These amounts include the matching Federal share of payments to recipients and also the Federal share of the

costs of administering State plans. The increase from the preceding year is due in part to the growth of the programs but more especially to changes in the basis of Federal participation made by the 1939 amendments to the Social Security Act.

During the year there was marked development in the effectiveness of operation of State public assistance programs, described subsequently in this report. Important in this field, as in the employment security program, was the further development of State merit systems for personnel, now required as a condition of Federal approval of State public assistance plans and unemployment compensation laws. In addition, many States passed laws or adopted regulations to restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the program, and to give consideration, in determining need, to any other income or resources of an individual who claims assistance—requirements effective July 1, 1941, under the 1939 amendments to the Social Security Act.

The defense program has occasioned additional demands on public assistance agencies. Local selective service boards have requested investigation of selectees when there is a question of family depend-

Chart 1.—*Public assistance and Federal work programs: Payments to recipients and earnings of persons employed in the continental United States, January 1933–June 1941*¹

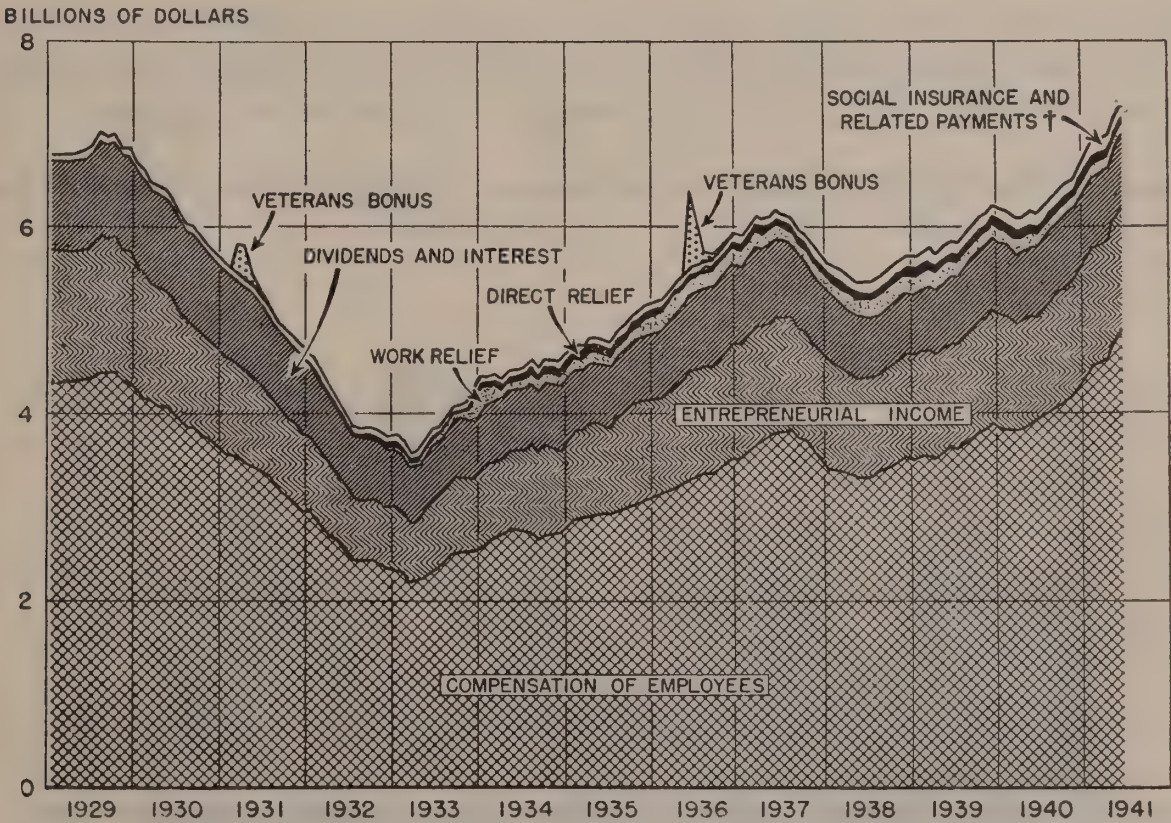


¹ For data by State, fiscal year 1940-41, see table D-1.

ency. Special needs have arisen in communities to which many persons have moved in search of defense employment. Additional services and funds have been needed for recipients of assistance in certain areas. The increase in living costs in the latter part of the year is a matter of great concern to the Board and other agencies responsible for administering limited funds for persons who live close to the subsistence level.

The public assistance programs under the Social Security Act continued the moderate growth which was to be anticipated in aid to these groups in the population. In contrast, there was a sharp decline in expenditures for general assistance and earnings under Federal work programs, attributable in part to improved economic conditions. In the continental United States, expenditures for payments to the needy aged, needy blind, and needy families with dependent children represented 27 percent of the total \$2.5 billion expended by the Federal Government, the States, and their localities for assistance and earnings under all major assistance programs and under Federal work programs in the fiscal year 1940-41. The relative

Chart 2.—Income payments in the continental United States, January 1929–June 1941¹



¹ Compensation of employees, entrepreneurial income, and dividends and interest adjusted for seasonal variation.

† Represents payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance. Industrial pensions are included under compensation of employees.

Source: U. S. Department of Commerce, National Income Division.

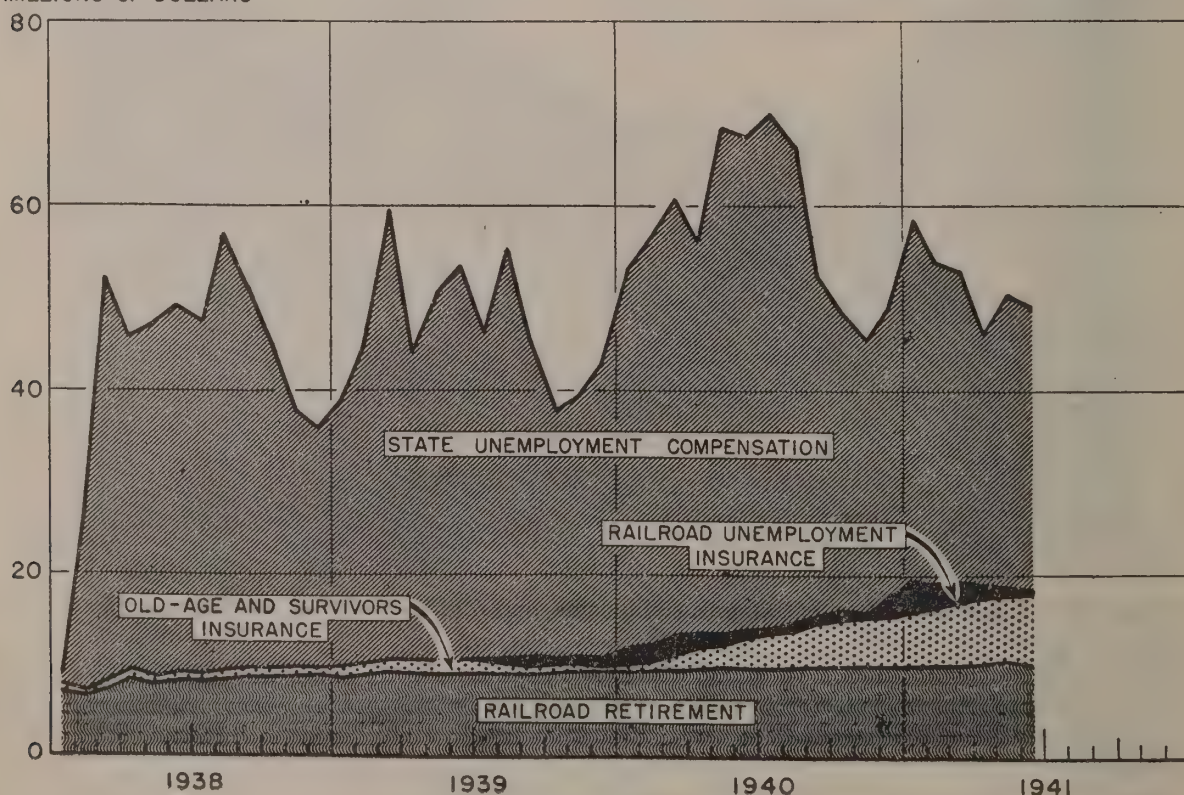
volumes of payments under these types of aid for persons in need and the sharp changes during the years since 1932 are shown graphically in chart 1.

Social Security and Other Income Payments

The place of social security and related payments in the stream of income payments to individuals may be seen in general terms in chart 2, which is based principally on estimates furnished by the Department of Commerce. In this chart the area for social insurance and related payments indicates amounts received by individuals under major public measures which base benefits for unemployment, retirement, survivorship, and disability upon rights accrued through previous service or employment. The measures here grouped for the fiscal year 1940-41 are the old-age and survivors insurance and unemployment compensation programs instituted through the Social Security Act, analogous Federal programs providing retirement and unemployment benefits for railroad workers, Federal retirement and disability pensions for war veterans, retirement provisions for employees of Federal, State, and local governments, and the State workmen's compensation laws. In the fiscal year 1940-41, payments to individuals benefiting from these social insurance and related programs represented 2.0 percent of the estimated total of all income payments to individuals in the United States. The course of payments for

Chart 3.—*Payments under selected social insurance programs, January 1938-June 1941*

MILLIONS OF DOLLARS



certain elements in this total—that is, payments to individuals under State unemployment compensation laws, the Railroad Unemployment Insurance and Railroad Retirement Acts, and the old-age and survivors insurance provisions of the Social Security Act—is given separately for the period January 1938–June 1941 in chart 3; chart 4 shows the numbers of beneficiaries under these programs.

Chart 4.—*Individuals receiving weekly or monthly payments under selected social insurance programs, January 1939–June 1941*¹



For the past fiscal year, the area in chart 2 for direct relief includes payments to recipients of the special types of public assistance, general relief, and other provisions for families in need; that entitled "work relief" represents, in general, earnings of persons employed on projects under Federal work programs. With minor differences due to the slightly different bases used by the Board and the Department of Commerce in compiling some types of expenditures, the items for direct and work relief summarize those shown in greater detail in chart 1. In the fiscal year 1940-41, payments to individuals for direct relief and work relief represented 3.2 percent of the estimated total amount of income payments to individuals in the United States.

Despite the very large sums involved, aggregate payments for social insurance and public aid were, therefore, a relatively small part of the total income received by American families. Of the total income payments received in this fiscal year, benefits, pensions, assistance, and work-program earnings together represented 5.2 percent of the total; wages, salaries, and other compensation of employees constituted by far the largest part, 64.9 percent; net entrepreneurial income, rents, and royalties constituted 18.4 percent; and dividends and interest, 11.4 percent.

Administrative Organization of the Social Security Board

No major changes have been made during the fiscal year in the organization of the Social Security Board, which functions as a component of the Federal Security Agency. Certain service functions relating to the respective programs have been transferred to the bureaus primarily responsible for the program, that is, to the Bureaus of Old-Age and Survivors Insurance, Employment Security, and Public Assistance. The staff of the Bureau of Employment Security was expanded, with the aid of emergency appropriations by the Congress, to meet special needs occasioned by the defense program. Plans were developed for decentralization of certain activities of this Bureau on a regional basis to facilitate increasing cooperation of regional personnel with staff of other Federal and State agencies concerned with the labor market and other defense activities. As in the previous fiscal year, legal services, personnel administration, and certain aspects of business management were supplied to the Board by offices of the Federal Security Agency which provide these services for the Agency as a whole.

In addition to the bureaus named above, the Washington offices of the Board include the Office of the Executive Director, the Bureau of Accounts and Audits, the Bureau of Research and Statistics, the

Office of the Actuary, the Appeals Council, and the Informational Service. The departmental organization is supplemented by offices in the 12 regions into which the country has been divided to effect the utmost feasible decentralization of administration. The field organization, responsible primarily for local operation of Federal old-age and survivors insurance, included at the end of the fiscal year 477 field offices, which are supplemented by branch offices and itinerant services. Major activities of all units are indicated in the appended functional chart and are summarized in the three following chapters on the major programs, in chapter V, which outlines general functions and services of the Board as a whole, and in appendix tables.

The three members of the Social Security Board serve under the direction and supervision of the Federal Security Administrator, Paul V. McNutt. There has been no change during the year in the membership of the Board, which includes Arthur J. Altmeyer of Wisconsin, Chairman; George E. Bigge of Rhode Island; and Ellen S. Woodward of Mississippi. Reappointment of Mr. Altmeyer, who has served as a member of the Board since its establishment and as Chairman since February 1937, was confirmed by the Senate on August 3, 1939, for a 6-year term expiring August 13, 1945. Mr. Bigge's appointment for a term expiring August 13, 1941, was confirmed on August 6, 1937.¹ Mrs. Woodward has been a member of the Board since December 30, 1938, first on a recess appointment and subsequently on an appointment confirmed by the Senate on January 12, 1939, for a term expiring August 13, 1943.

The responsibilities initially delegated to the members of the Social Security Board by the Social Security Act include determination of administrative policy; approval of State laws and plans as meeting the statutory requirements for Federal grants and certification of these grants; certification of State unemployment compensation laws to the Treasury for normal and additional tax-credit purposes; and study and recommendations concerning the most effective methods of providing economic security through social insurance and related legislation. The amended provisions of title II of the act designate the Chairman of the Social Security Board as a member of the Board of Trustees which is responsible for administering the Federal old-age and survivors insurance trust fund and for making regular and special reports to Congress on the operation and status of that fund. Under authority of the Reorganization Act of 1939 the responsibilities of the Board were augmented by Reorganization Plan No. I, which transferred administration of the Wagner-Peyser Act from the Department of Labor, consolidated functions of the United States Employment

¹ On August 6, 1941, the Senate confirmed Mr. Bigge's reappointment for a term expiring August 13, 1947.

Service with the unemployment compensation functions of the Board, and made the Board responsible for allotment of Federal funds to the States under the provisions of the Wagner-Peyser Act relating to public employment services.

Responsibility for supervision and direction of both the departmental bureaus and offices and the regional offices, for coordination of Federal-State relations, and for provision of certain centralized services is delegated to the Executive Director. That office was held throughout the year by Oscar M. Powell of Texas.

Progress in Social Security

Experience has amply demonstrated the soundness of the basic principles of the Social Security Act: the relation of assistance payments to individual need and of insurance benefits to the individual wage loss of the beneficiary. Through actual experience, the feasibility of operating under the major amendments made in 1939 is being demonstrated, notably with respect to the inclusion of survivors insurance and the earlier payment of monthly benefits under the Federal insurance system. The integration of employment service and unemployment compensation activities in 1939 further strengthened the program. The past year's experience, however, has also emphasized shortcomings in the basic legislation of which the Board has long been aware, has shown some anomalies arising in operation of the program, and has revealed additional problems. Discussion in the following pages is based on what the Board believes to be the primary intent of the initial and subsequent legislation—the development of a comprehensive, well-rounded program of social security in accordance with the ideals and needs of a democratic people.

In the system of free enterprise to which the United States gives allegiance, social and economic change is both a measure and a concomitant of progress. Rapid and far-reaching changes, however, may occasion disaster to individuals, industries, and communities. The interrelationships of an industrialized society entail many risks which a worker and his family cannot meet alone. If flexibility and freedom of economic enterprise are to be maintained, all whose living depends upon their labor must have a basic minimum protection against risks which interrupt or destroy capacity to earn. Current developments in the world about us demonstrate, moreover, the extent to which political stability depends upon the social and economic security of a people. Measures to offset three of the major universal risks to security—unemployment, old age, and death of the breadwinner—are already incorporated in the present program, though not in all

instances as effectively as may be hoped for the future. For assistance in disabling sickness, the other major hazard of workers and their families, there is only the limited provision of aid to the blind and, in certain circumstances, aid to dependent children.

The Board believes that experience now is sufficient to warrant thorough reexamination of the social security program and consideration of all practicable extensions and revisions found necessary to make it a comprehensive entity. Such an examination, which would have been important in any event after the initial years of operation, has become urgently necessary now as in the midst of world chaos and internal change the American people reaffirms its faith in democracy. The following paragraphs summarize briefly certain problems of social security for which, in the opinion of the Board, a satisfactory solution can be found only through congressional consideration and legislative action. An effort also has been made to indicate the directions in which, the Board believes, appropriate and practicable solutions seem to lie.

Old-Age and Survivors Insurance

The most immediate need in the Federal program of old-age and survivors insurance is extension of coverage, which is essential for the protection of the millions of workers still excluded and important for the effective and economical operation of the system. The Board believes that no insuperable administrative difficulty would now be encountered in extending coverage to any or all excluded employments. The expansion and accelerated tempo of industry and commerce and the development of public services under the impetus of the defense program are accentuating the serious problems of workers who move between covered employment and other jobs and who often cannot attain insurance protection in either. Special problems of coverage, which will be discussed subsequently, arise in connection with men called to the armed forces.

Agricultural and domestic employment.—The two largest groups excluded from Federal old-age and survivors insurance are wage workers and sharecroppers in agriculture and domestic workers in private homes. These typically low-paid workers need insurance protection at least as much as any of the groups now included. In addition to the workers in such jobs at any one time there are many others who work on farms or in private homes for part of a year or for a few years at some time in their working lives and by such breaks in coverage lessen or lose their chance to attain insurance protection from their covered employment. A stamp system, whereby stamps to record contributions could be sold by post offices and rural mail

carriers, has been suggested as an appropriate device to meet the major administrative problems of covering agricultural labor and domestic service.

Public employment and services for nonprofit organizations.—The Board reaffirms its belief that coverage should be extended to services for charitable, religious, educational, and other nonprofit organizations. Members and representatives of these groups have expressed increasingly a desire to participate in the program. The Board believes also that coverage should include all public employment by Federal, State, and local governments in such a way that the Federal insurance system would afford a basic protection on which would be superimposed the protection available through special retirement systems.

Self-employed persons.—It is the opinion of the Board that the old-age and survivors insurance system should be extended to the self-employed. There are probably some 10.5 million persons who are clearly self-employed, of whom almost three-fifths are in agriculture, one-sixth in retail trade, and the remainder in other business and the professions. This number does not include some one and one-half to two million persons whose status has sometimes been considered that of an employee within the meaning of the present act and sometimes has been held to constitute self-employment. This latter group includes, among others, insurance agents, canvassers, outside salesmen, sharecroppers, and nurses on private duty. The need of self-employed persons for the benefits now available to wage earners has not been questioned, and the Board has received many expressions of a desire for coverage.

Employment Security

In the unemployment compensation program, many problems analogous to those in old-age and survivors insurance are accentuated by reason of differences in the provisions of the State unemployment compensation laws. Coverage is more restricted and variations in State laws produce far greater differences than under the Federal insurance program in the payments for which workers in the several States can qualify. The existence of the separate State systems entails also particular difficulties with respect to the coverage and eligibility of workers whose jobs carry them across State lines; many such workers acquire some credits toward benefits in one or more States but not sufficient to qualify them for benefits in any State if they become unemployed.

Coverage.—About half the States have size-of-firm exceptions which exclude workers in establishments with fewer than 8 employees.

During the fiscal year only 11 jurisdictions, representing 14 percent of the total population of the continental United States, Alaska, and Hawaii, covered employers of 1 or more persons.

Nation-wide extension of unemployment insurance to small firms would give protection to workers in particular need of it. The Board believes that coverage should be extended also to workers engaged in quasi-industrial and commercial activities relating to agriculture. Nearly all State unemployment compensation laws exclude service performed as an officer or member of the crew of a vessel on the navigable waters of the United States; the Board believes that Federal provisions should be made for compensating unemployment of seamen. With more extensive coverage of gainful occupations, the system would provide greater protection for the many workers whose wage credits are now limited because no credits are acquired during periods of employment in noncovered jobs. Other coverage problems relating especially to defense are mentioned in the concluding pages of this chapter.

Benefit provisions.—During the past fiscal year, more than \$433 million has been paid under State unemployment compensation laws to nearly 4 million workers who were partly or wholly unemployed. This amount, large in the aggregate, has helped greatly to mitigate hardship in the millions of homes in which such payments were received. It has also helped to sustain trade in the towns and cities where these workers live and to support mass purchasing power.

In relation to the actual wage losses of individual workers, however, payments are often meager. Benefits under nearly all State laws represent about half the customary wages of the individual, ordinarily with a specified minimum amount and a maximum which is commonly \$15 a week and in no jurisdiction more than \$20. In many instances weekly payments for total unemployment have been as little as \$2 or \$3 a week. In most States the duration of a worker's benefits depends on his prior earnings. During the fiscal year the average duration of benefits paid to claimants ranged from 9 to 12 weeks rather than the legally specified maximums of 16 to 20 weeks provided under State laws; these averages conceal the fact that some workers were entitled to only 3 or 4 weeks of benefits. In the country as a whole, at least half the beneficiaries have exhausted all their benefit rights before the end of their benefit years.

The Board believes that the waiting periods now specified in most State laws are unduly long. In general the amount of benefits is inadequate. The most serious inadequacy, however, is the very brief duration of the benefits now available under State laws to qualified unemployed workers.

Financing.—For the country as a whole, though not in all States, contributions under State unemployment compensation laws have been more than sufficient up to the present time to finance the stipulated benefit payments. To provide reserves for contingencies, the amounts deposited by the States in the unemployment trust fund included in all instances contributions for at least 2 years before benefits were payable. In one State, however, total assets available at the end of December 1940 barely exceeded actual expenditures during the year of highest payments; for the jurisdiction with the most ample reserves, assets represented 8 years of such payments. For States in which resources seem ample to meet all potential demands, the question may be raised whether the present level of reserves has not been attained at the expense of the objectives of the unemployment compensation program. The benefit provisions initially adopted by nearly all States were conservative because there was little or no actuarial information at the time to indicate the amount and duration of benefits which could be safely provided on the basis of a 2.7-percent rate of contributions. Improvement of benefit provisions, not reduction of contribution rates, should be the first objective of unemployment compensation.

The great disparities in the relative amounts of the reserves accumulated by the States in these initial years reflect not only differences in the provisions of State unemployment compensation laws but also the widely varying impact of unemployment. Because of differences in industrial patterns and economic conditions, the States alone cannot take effective action to mitigate the present disparities in their provisions for benefits to unemployed workers and to make these provisions more nearly adequate throughout the country. Measures for experience rating which are to become effective in many additional States during the coming year introduce differences in State contribution rates and will intensify, among employers in different States, competitive inequalities which the Federal legislation sought to nullify by imposing a uniform Federal levy. Within a State, moreover, experience rating has introduced inequalities in the financial burdens of employers whose experience with unemployment differs for reasons beyond their own control. While the current rise in employment has lowered benefit expenditures, it is increasing potential obligations of State systems because of the increase in wage credits which workers are acquiring. It is clear that the rapid changes necessary for national defense entail temporary dislocations in industry and the unemployment of large numbers of workers until readjustments can be made. The cessation of defense activities will necessitate profound economic readjustments.

Basis of the employment security program.—It must be frankly recognized that experience is revealing inconsistency and inadequacy, from the Nation-wide viewpoint, in the operation of an unemployment insurance program based upon 51 independent State systems and linked by only the very general Federal requirements for approval of a State unemployment compensation law. For both unemployment insurance and employment service, it is more important than ever that efforts to promote the security of wage earners be geared to national needs and national resources. The operation of the defense program is emphasizing and increasing the interdependence of all areas of the country with respect to factors which affect workers and employers. The Board believes that immediate and careful examination of the unemployment compensation program is required to strengthen the basis of operation both for purposes of the present emergency and for general considerations of scope, effectiveness, equity to workers and employers, and continued solvency.

Public Assistance

In the field of public assistance there are also differences among the States which continue to be of deep concern to the Board. Both in the relative numbers of persons aided and in the levels of assistance payments, State variations are too great to be explained by differences in need or in living costs or standards. Since aid to the aged, the blind, and dependent children is provided in part through Federal matching grants, the Federal Government must countenance, in effect, a disproportionate use of Federal funds, in various parts of the country, for persons whose need is substantially similar. The States, moreover, place relatively less emphasis on aid to dependent children than on assistance to the aged and the blind. The Board is also concerned that in many instances payments for the special types of public assistance under approved State plans do not meet the needs of recipients adequately. Further, it recognizes that there are other groups of persons whose need is as great as that of the groups now provided for under the Social Security Act but for whom assistance is inadequate or lacking.

Basis of Federal grants.—Federal grants to States for assistance payments must now be made, under the provisions of the Social Security Act, on an equal-matching basis. The amount of the Federal contribution is therefore limited by that provided in the State. While many factors underlie the differences in numbers of recipients and amounts of payments in the several States, one of the most important is the capacity of the State to finance its share of the costs of adequate assistance payments. The Board therefore reaffirms a

recommendation which it has offered previously: that additional grants should be made to States with small resources of their own, according to objective standards which measure the relative economic capacity of the State. Under such a plan, the States with relatively low resources would receive proportionately larger grants of Federal funds to finance assistance programs.

Extent of Federal participation.—Under the present provisions of the Social Security Act, the Federal Government finances one-half the cost of assistance payments for old-age assistance and aid to the blind up to an individual monthly payment of \$40. For aid to dependent children, however, the Federal Government finances half the costs of assistance payments up to monthly payments of \$18 for the first child and \$12 for each additional child aided in the same home. Ordinarily the amount given for the children must provide for most or all needs of the mother or other relative who cares for them. The Board therefore believes that maximum Federal participation in the program should be broadened so that as much as \$20 a month in Federal funds may be used for the first child in a home and, as at present, \$6 for each additional child aided. At the present time Federal funds can be used only for children whose loss of support or care is due to the death, incapacity, or absence from home of a parent. The Board believes that authority should be broadened to provide for Federal participation in payments to any needy dependent child deprived of parental support or care. In determining the amount of assistance payments under this and the other assistance programs, the Board believes that the act might explicitly permit State agencies to take into account the need of other persons in the home whose presence is essential for the well-being of the recipient.

Because of the lower maximums for Federal participation, States and localities have been obliged, when State or local resources permitted, to finance from their own funds a higher proportion of the costs of the program for aid to dependent children than of those for the other two programs. On the whole, the needs of children probably are met less adequately at the present time than are those of the aged or the blind. Increased Federal aid for children would serve, it is hoped, to shift some of the disproportionate burden of this program from the States and so enable them to give more nearly adequate aid in terms of the number of children aided and the amounts of payments. Such a provision also might encourage the States which have not already done so to make use of the Federal resources available to them under the Social Security Act for operation of approved plans for aid to dependent children.

The 1939 amendments to the Social Security Act changed the basis

of Federal participation in costs of administering aid to the blind but not of old-age assistance. The Board believes that the Federal grants for administering old-age assistance should be placed on the same basis as that now used for aid to the blind and aid to dependent children, that is, provision of Federal funds to pay half the necessary costs of administering an approved plan.

Eligibility requirements.—Liberalization of certain eligibility requirements incorporated in some State plans would broaden and simplify operation of the public assistance programs. In some States the residence requirements for old-age assistance and aid to the blind are still the maximum permitted by the Social Security Act for approval of State plans, i. e., residence in at least 5 of the 9 years preceding the application and in the year immediately preceding. These requirements prevent otherwise eligible aged and blind persons from receiving needed assistance. The Board is of the opinion that the Federal requirements should be changed so that public assistance plans, to be approved, may not deny assistance on the score of residence to applicants who have resided in the State for the year immediately preceding application. Such a requirement has been in effect for all States with approved plans for aid to dependent children since the beginning of the social security program. At the present time a requirement of a year's residence or less has been adopted by eight States for old-age assistance and by nine for aid to the blind.

Unnecessary restrictions and harshness also result from the requirements of some States that applicants, to be eligible for assistance, must give to the State an assignment or lien on real property. Some States also deny assistance to persons who have legally obligated relatives who are able to support them. The Board believes that any assignment or lien which may be taken should not become operative so long as the recipient or spouse may live, and that assistance should not be withheld from any applicant on the ground that relatives are able to support him if in fact they do not do so.

At the present time Federal matching funds may be used toward payments to dependent children who are aged 16 and 17 years only when the child is attending school regularly. This requirement has tended to overemphasize the unqualified fact of school attendance in relation to other factors in the family situation. Often appropriate school facilities are not available, especially for mentally defective children and those in need of special vocational training. If a child is working, he is usually not in need and therefore is automatically excluded. Arbitrary exclusion of a needy child because of non-attendance at school sometimes also creates a hardship for other needy children in the family in that the needs of the ineligible child

are met from the payment made for the others. School attendance can be encouraged more appropriately through methods other than a provision which restricts consideration of need.

The Board has found it increasingly difficult to clarify Federal and State responsibility for the care of Indians on reservations who are potentially eligible for public assistance. One way of meeting this difficulty might be to authorize Federal reimbursement to States for the full cost of assistance to Indians on public Indian reservations and the cost of administering such assistance. It has been suggested that the Social Security Board be authorized to enter into agreements with the Office of Indian Affairs and State agencies concerning the use of the Office of Indian Affairs for administration of such assistance.

Medical care for recipients of assistance.—The provision of medical care for recipients of public assistance has continued to be a major problem of State and local agencies. Under present provisions of the Social Security Act, Federal matching of the costs of medical care is permissible only when these costs are met from the assistance payment to the recipient. Limitations on maximum payments and the limitation of funds, as well as other factors, have prevented States from providing adequate medical care for recipients. The Board believes that there should be Federal participation, up to a specified maximum, in direct expenditures made by the public assistance agency for medical services and supplies for persons whose requirements were considered in determining the need for assistance and the amount of the assistance payment. The funds used for medical care under all approved plans in the State could be combined and the Federal reimbursement made on the basis of the total costs.

General Assistance

Adequate resources for general assistance are essential to meet the needs of persons who do not fall within the special groups now aided under the public assistance and insurance programs of the Social Security Act or who are not employed under Federal work programs. While it may be hoped that social insurance will serve in time to prevent or offset a larger measure of poverty and dependency, at all times there will be families whose need cannot be met under the necessarily fixed requirements of insurance programs or whose benefits must be supplemented to meet particular needs. Available funds for general relief are grossly inadequate or wholly lacking in many areas, especially in localities which are dependent upon local resources without supplementation by State funds. Usually general relief

payments are relatively much lower than the amounts given the aged, the blind, and dependent children.

Total expenditures for general relief declined sharply during the fiscal year, in part because of improvement in general economic conditions. A large share of the case load of the relief agencies, however, comprises families which have no employable members, and demands on States and localities will therefore continue. In some areas affected by the defense program, problems of general relief have been intensified. The Board is of the opinion that Federal grants-in-aid such as those now authorized by the Social Security Act for the special types of assistance should be made available to the States for general assistance. Such a measure would provide for many needy groups, including needy migrants, who are without recourse to adequate assistance. It would also provide a flexible means for dealing with dislocations resulting from the defense program and with the readjustments which will be necessary when that program is ended. Federal grants for general assistance should not be considered as a substitute for Federal work programs but, rather, as a method of enabling work programs to function more effectively by relieving them of burdens which are not appropriate to a work program and can better be carried through direct assistance.

Sickness and Disability

Problems of sickness and disability cut across all programs administered by the Board. Except in periods of mass unemployment, sickness, disability, and death of the breadwinner constitute by far the most important causes of poverty and dependency. In the majority of the families accepted for aid to dependent children, assistance has been made necessary by the incapacity or death of the father. Loss of time from work because of temporary or chronic disability keeps many workers from qualifying for benefits under the insurance programs and diminishes the benefits of those who do qualify. The absence of systematic provision for compensating wage losses due to disability and for meeting the larger costs of medical care is a major shortcoming in social security in the United States.

The unemployed wage earner who is well and available for a job may draw the insurance benefit for which he qualifies. A wage earner who is out of work because he is sick is not entitled to an unemployment benefit even though his past work and earnings could have qualified him for benefits had he been merely unemployed. Nor has he, in the large majority of instances, adequate provision to tide him and his family over the period when he cannot earn. The worker who

is chronically disabled in old age may qualify for a retirement benefit, but the man disabled in younger years, unless by occupational injury or disease covered by a State workmen's compensation law, has no recourse to social insurance, though his family responsibilities may be at their height. If his disability is long-standing, any current protection he may have earned for his dependents in the form of survivors insurance is likely to lapse. It is significant that in most countries sickness insurance antedated unemployment insurance and has proved a method of preventing undue demands upon unemployment funds. Except Spain, every other country in the world which has a system of old-age insurance has made provision for chronic or permanent total disability.

When the Board made its report to the President and the Congress in 1939 on proposed changes in the Social Security Act, it deferred recommendation of immediate steps to include compensation for wage losses resulting from sickness and other disability. At that time experience had not yet been developed in the payment of monthly benefits, and further study was needed of costs and administrative problems. The Board is convinced that a system of disability compensation would now be feasible and that it is a necessary adjunct to the existing programs. Information has been assembled on measures which might be found practicable to furnish security against wage loss during periods of permanent and temporary disability.

The Board believes also that measures to assure adequate medical care to all persons who need it and to protect workers and their families against the costs of medical care are of basic importance to social and national security and that a beginning should be made in this field. This belief has been confirmed in recent months by the fact that a large proportion of the young men who are in the ages when health should be at its best have been found physically unfit to enter the armed forces.

Special Problems Occasioned by the Defense Program

Proposals made in earlier pages would go far toward meeting some problems of social security which have been accentuated or created by the defense program. Coverage of public employees by Federal old-age and survivors insurance, for example, would provide continued protection for persons who leave private employment to enter public civilian services. Adequate development of the program for aid to dependent children and, even more important, development of a system of Federal grants to States for general assistance would help to meet some of the situations which must be anticipated when national needs make it necessary for many families to change their place and

manner of living and, in some instances, their means of support. The resources used by the United States Employment Service to mobilize labor for national defense can be expected to prove of major importance in the period of readjustment which will inevitably follow cessation of such activities.

Particular problems relate to men who have been called from their customary pursuits into national service, whether in the civilian branches or the armed forces. In equity to them, provision must be made so that insurance rights which they have already acquired, or those which they would have gained had they not entered Government service, will not be lost or impaired. About three-fourths of the States have made some provision for preserving unemployment benefit rights of workers inducted into military service. In seven States, however, legislatures which will not be called into regular session for 2 years have adjourned without taking action; in these States men who leave the service and are unable to find jobs ordinarily have no rights to benefits on the basis of their past employment. There are, further, many men in military service who have not been covered by State unemployment compensation laws and hence have no protection under the State systems.

With respect to Federal old-age and survivors insurance, it would be possible to protect the worker from the loss of existing insurance protection or ultimate diminution of his legally defined average wage, on which the amount of his benefit is based, by extending the coverage of the system to include employment with armed forces. Such a plan, however, could be developed satisfactorily only if it is coordinated with programs already available to the armed forces and with veterans' programs.

In the operation of the Selective Service System and in the mobilization of the National Guard, deferment or exemption of men with certain dependents has been authorized. This authority and the policies used in induction have doubtless minimized possible problems concerning the security of family dependents of men in the armed forces. Experience of the State and local public assistance agencies indicates, however, that the status of a household often changes and individual problems of dependency arise after men have been inducted. In response to requests from State agencies, the Board has approved use of Federal funds toward payments for dependent children who are in need by reason of the father's absence from home for military service. If any substantial volume of need should develop among dependents of men in military service, the most effective course, the Board believes, would be Federal assumption of responsibility for providing assistance to dependents.

The Goal of Social Security

The objective underlying the proposals discussed in the preceding pages is the continued development of the social security program to provide a firm base for the economic security of all families in the United States. The Board wishes to emphasize its belief that the program should envisage only the minimum protection needed as the ground work for individual initiative and thrift. In the modern world, individual effort may avail little unless there is a social bulwark against forces and catastrophes which overwhelm large groups despite their best endeavor. In the absence of such a bulwark, it is as difficult in ordinary times for most of the American people to live out their lives in individual independence, contentment, and security as it would be if, in time of war, the country were without military defenses.

The method of social insurance, in full harmony with American traditions, is a form of joint action with individual responsibility. It represents the collaboration of workers and their employers and the Government of all the people. The benefit which a worker draws when he cannot earn is the outcome of his previous labor. The complementary measure of social assistance is needed in the common interest for those who, because of childhood, advanced years, or disability, have been unable to earn a place in a system based on labor. It provides also for those whose individual misfortunes are so serious that their needs transcend the insurance provisions designed in accordance with the circumstances of large groups. Together, social insurance and social assistance have greatly mitigated individual hardship and social insecurity in the United States. A continuance of progress requires, now and in the future, continued efforts to evaluate past experience, to correct the errors and inadequacies which experience discloses, and to use to the full the new opportunities of new times.

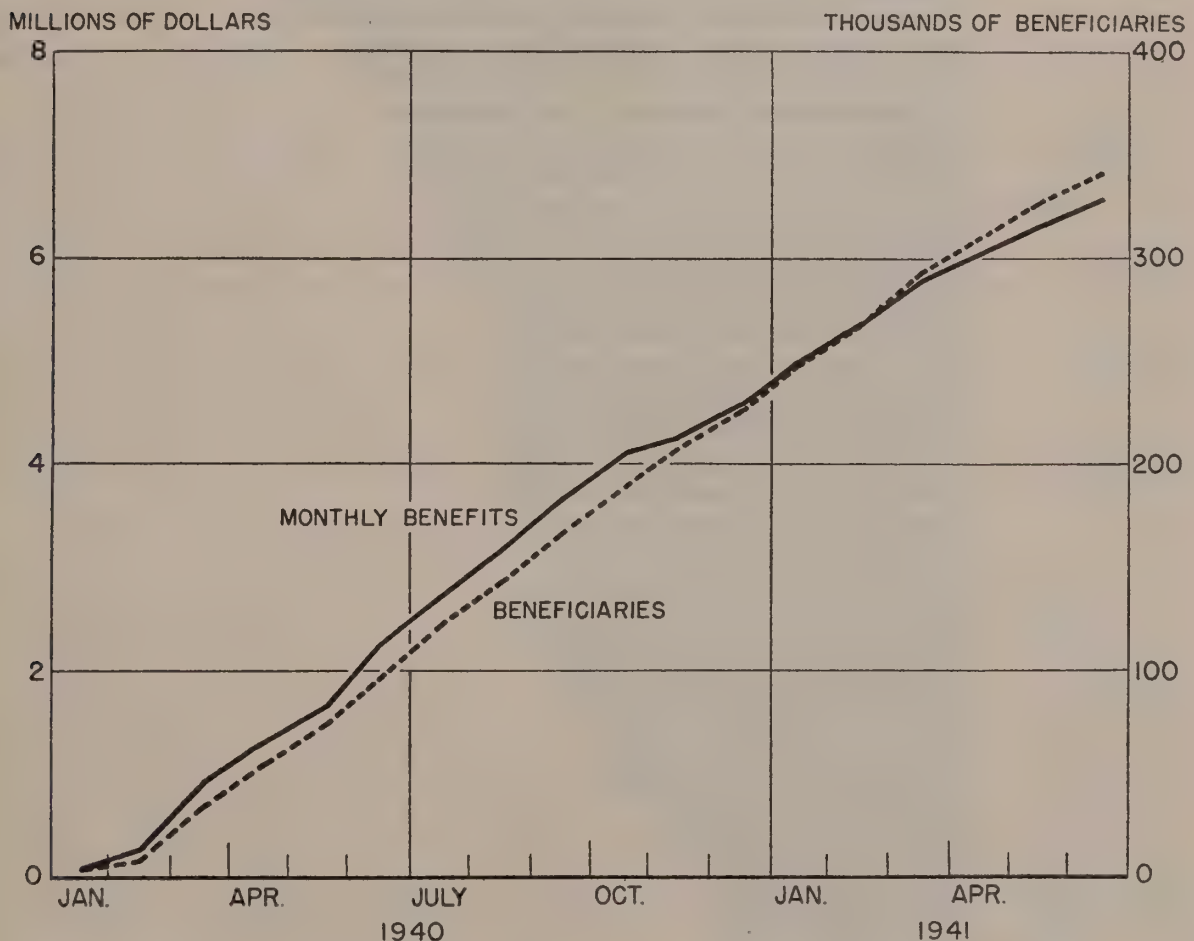
Social insurance and social assistance are only two aspects of a social security program in its broadest sense. The Board is keenly aware of the many economic factors which influence the well-being of the Nation and of the many measures required to serve the public welfare and safety. Save in time of war, however, there are few aspects of our common life which so directly concern the individual lives of millions of Americans from infancy to old age as the group of programs instituted under the Social Security Act. In a period of national stress such as that which the country now faces, social security is a beacon which affirms the ideals of a democracy and lights the way toward the further progress of a democratic people.

• II •

Old-Age and Survivors Insurance

THE FISCAL YEAR 1940-41 was the first throughout which monthly benefits were payable under the old-age and survivors insurance program. As was to be expected at the beginning of an insurance system which provides for continuing payments over long periods of time, there was a rapid and continuous rise in the number of beneficiaries on the rolls and in the total amount of monthly payments. The increase, however, was less than had been anticipated, doubtless in part because the employment occasioned by the defense program made it possible for many older workers to continue in jobs from which otherwise they would have retired, and enabled others to forego, during periods when they returned to work, benefits to which they were already entitled. The impact of the defense program was evident also in a considerable increase in the number of workers in covered

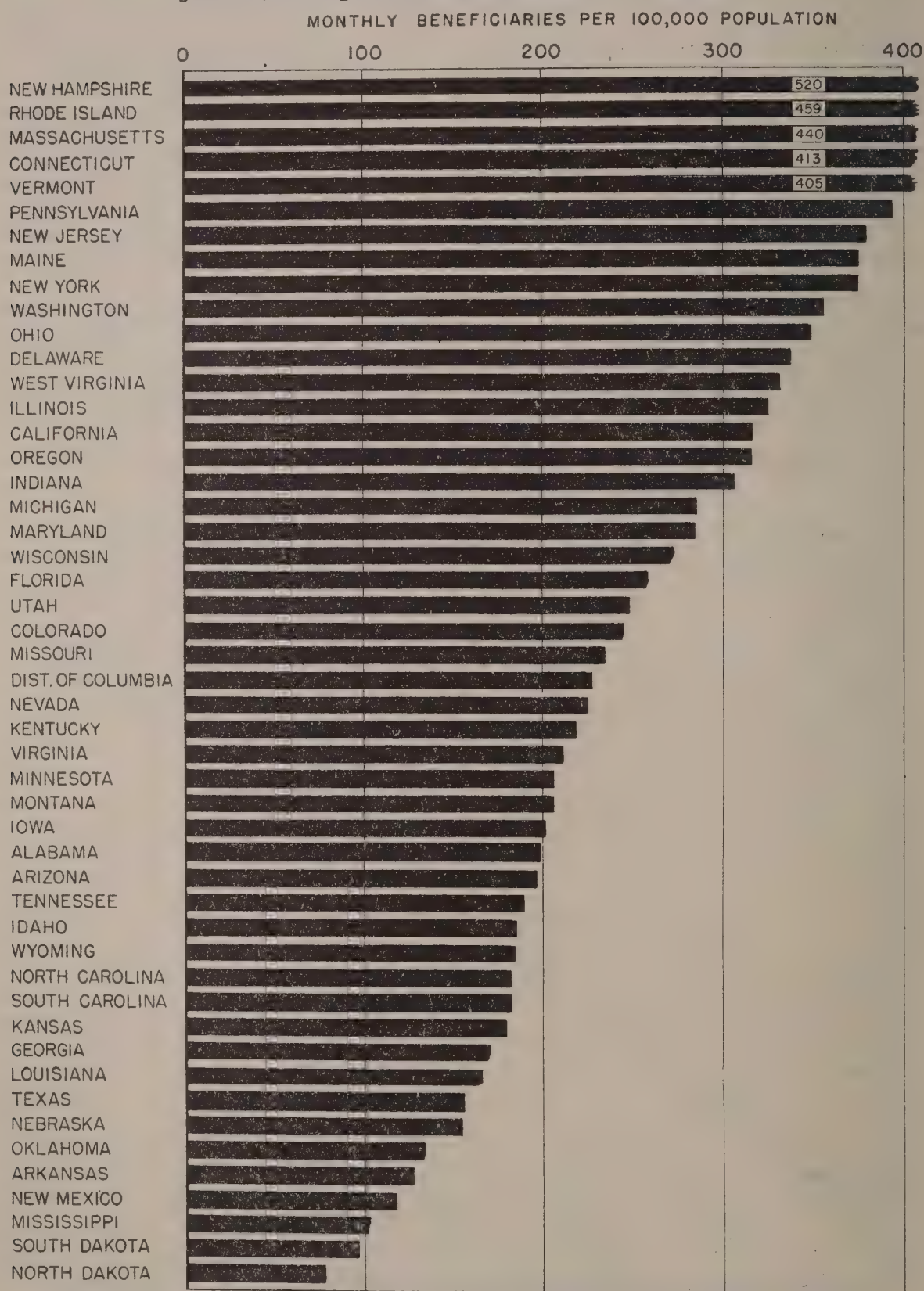
Chart 5.—*Old-age and survivors insurance: Amount of monthly benefits certified and number of beneficiaries, January 1940-June 1941*¹



¹ Includes retroactive benefits. For fiscal year 1940-41, see table B-9.

employment, in the amounts of taxable wages reported by employers, and in the contributions paid on the basis of such wages by employers and employees. The greater volume of covered employment and, in some instances, higher wage rates served to increase credits toward

Chart 6.—Old-age and survivors insurance: Individuals on monthly benefit rolls, June 30, 1941, per 100,000 population in each State ¹



¹ See also table B-7. Total population as of Apr. 1, 1940, from the U. S. Bureau of the Census.

future benefits, which were acquired during the year by a majority of all gainful workers in the United States.

The Program in Summary

Responsibilities of the Social Security Board for administration of old-age and survivors insurance are delegated, except for appeals procedures and certain legal services, to the Bureau of Old-Age and Survivors Insurance. Procedures for hearing and review of appealed claims and disputed wage-record entries are maintained by the Appeals Council. The activities of the Bureau are conducted in close collaboration with the bureaus and offices of the Board responsible for coordinated services in the fields of research and statistics, actuarial studies, accounting and auditing, and informational services, and, in matters of joint concern, in cooperation with the bureaus responsible for the employment security and public assistance programs. The operations of the Board entail, moreover, close and continuing collaboration with the Office of the General Counsel of the Federal Security Agency; the Treasury Department, which administers the provisions governing employer and employee contributions and disburses all benefit payments; and other Federal agencies with related interests, chief among them the Railroad Retirement Board.

Activities of the Board during the fiscal year 1940-41 were largely devoted to the continuing development of policies and procedures for the adjudication and payment of claims for monthly benefits, in which there was previously only a half year's experience. Procedures instituted in earlier years for establishing workers' accounts and recording their taxable wages, on which benefits are based, were maintained with increasing effectiveness despite the additional volume of work arising from the expansion of covered employment, and consideration of the further development of the program was continued.

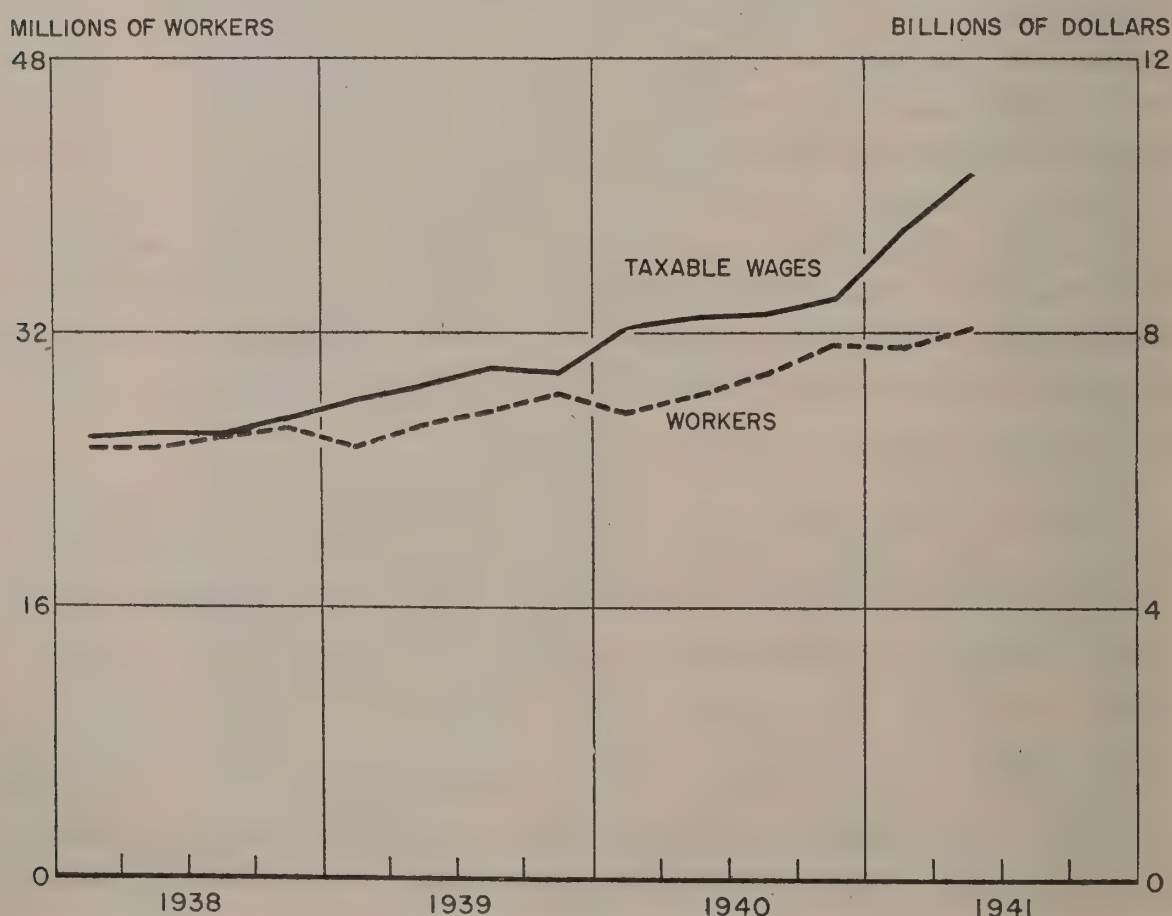
Covered Employment and Taxable Wages

During the calendar year 1940, it is estimated, some 35 million different individuals earned taxable wages totaling \$32.9 billion in employment covered by the program. The total number of individuals for whom employers reported taxable wages in 1940 exceeded by nearly 2 million the number reported in 1939, and the amount of wages reported was greater by about \$3.7 billion. There was, accordingly, a rise in the average taxable wage from \$882 in 1939 to \$940 in 1940, an average appreciably higher than that reported for any previous year. Each quarterly report for 1940 indicated increases

from the corresponding period of 1939 in the number of covered workers on the last day or last pay roll of the quarter, in the total number of workers with covered employment in the quarter, and in the quarterly amount of taxable earnings. Contributions collected by the Treasury from employers and employees under the Federal Insurance Contributions Act increased from \$608 million in the fiscal year 1939-40 to \$688 million in 1940-41.

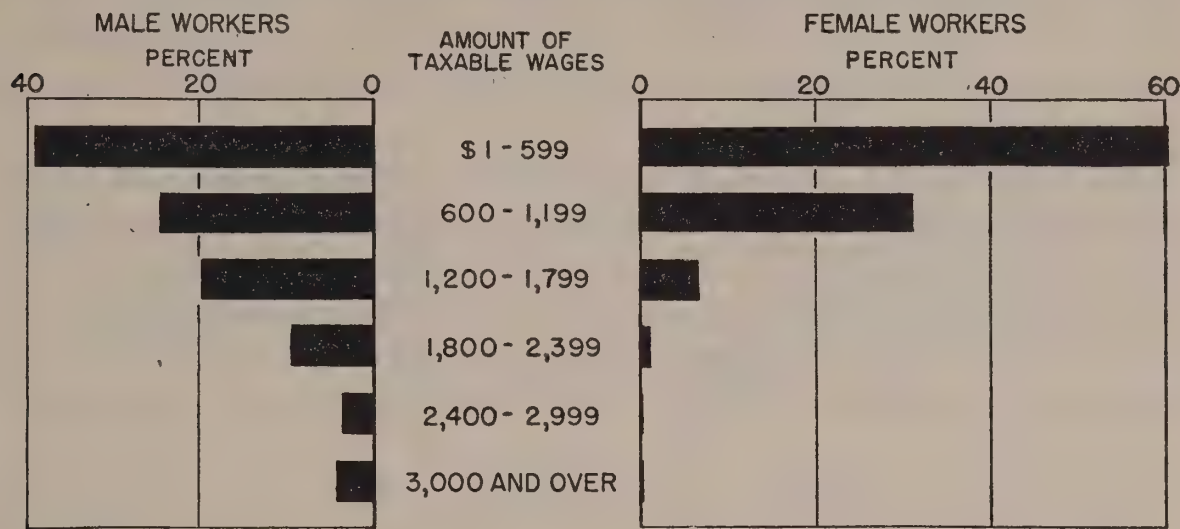
The rise in covered employment and taxable wages continued in the first two quarters of 1941. As of the last pay roll in March 1941, employers reported 29.6 million workers in covered employment; and as of the end of June, 30.9 million. These figures are greater by 3.3 million and 3.7 million, respectively, than those for the end of corresponding quarters of the preceding year. Similarly, total taxable wages reported for January-March 1941 exceeded by \$1.5 billion, and those for April-June 1941 by \$2.2 billion, the amounts reported for the corresponding periods of 1940. The number of employers reporting under the program increased from 1.8 million in the first quarter of 1939 to nearly 2.0 million for the same period in 1940, and to 2.1 million in the first quarter of 1941. There was also a marked increase in the spring of 1941 in the number of workers

Chart 7.—Old-age and survivors insurance: Workers with taxable wages during quarter and total taxable wages reported for quarter, January 1938-June 1941¹



¹ See table B-2.

Chart 8.—*Old-age and survivors insurance: Percentage distribution of male and female workers with taxable wages in 1939 by amount of such wages*



who applied for account numbers. In many instances these current applicants are young persons who are entering employment directly from school because of the opportunities arising from the defense program, and women and older workers who for similar reasons have found it possible to reenter the labor market. Since rights to insurance benefits are based on the extent of a worker's covered employment and the amounts of his taxable wages, the increase in the volume of covered employment and in the total amounts of taxable wages reveals significant extension of the current and future protection afforded by the system.

Information now available on the taxable earnings of individual workers indicates that workers who are more or less continuously attached to covered employment receive on the average amounts which entitle them to substantial current and future protection. On the other hand, in any year there are many persons for whom only small amounts of taxable earnings are reported. Some of these workers with low taxable wages in a given year are in the labor market for only a few months of that year—for example, students working during vacations, young persons taking their first jobs, or young women leaving work on marriage. Many of these young persons will acquire insured status in future years; with the continued operation of the system, many persons who leave the labor market will have such insured status as the result of past covered employment or, in the case of married women, insurance protection derived from the husband's wage record. Others whose taxable wages in a year are too low to entitle them to substantial credits toward benefits are individuals who engage in gainful work only incidentally and therefore are not permanently attached to the labor force. From the social standpoint, the serious problems are those of workers whose annual

earnings in covered employment are very low by reason of low wage rates and involuntary unemployment or because their work shifts between covered employment and jobs not covered by the program, such as agricultural labor, domestic service, governmental service, and self-employment.

Under existing provisions, many gainfully occupied persons who work intermittently in covered and noncovered jobs cannot acquire systematic protection against the risks covered by the old-age and survivors insurance program. This situation is the more serious at the present time by reason of the workers who are transferring from covered jobs to the armed forces or to public work incidental to the defense pro-

Chart 9.—*Old-age and survivors insurance: Deceased workers on whose wages monthly benefits or lump-sum death payments were awarded in 1940 and number of beneficiaries for whom monthly benefits were awarded, by age of worker at death*

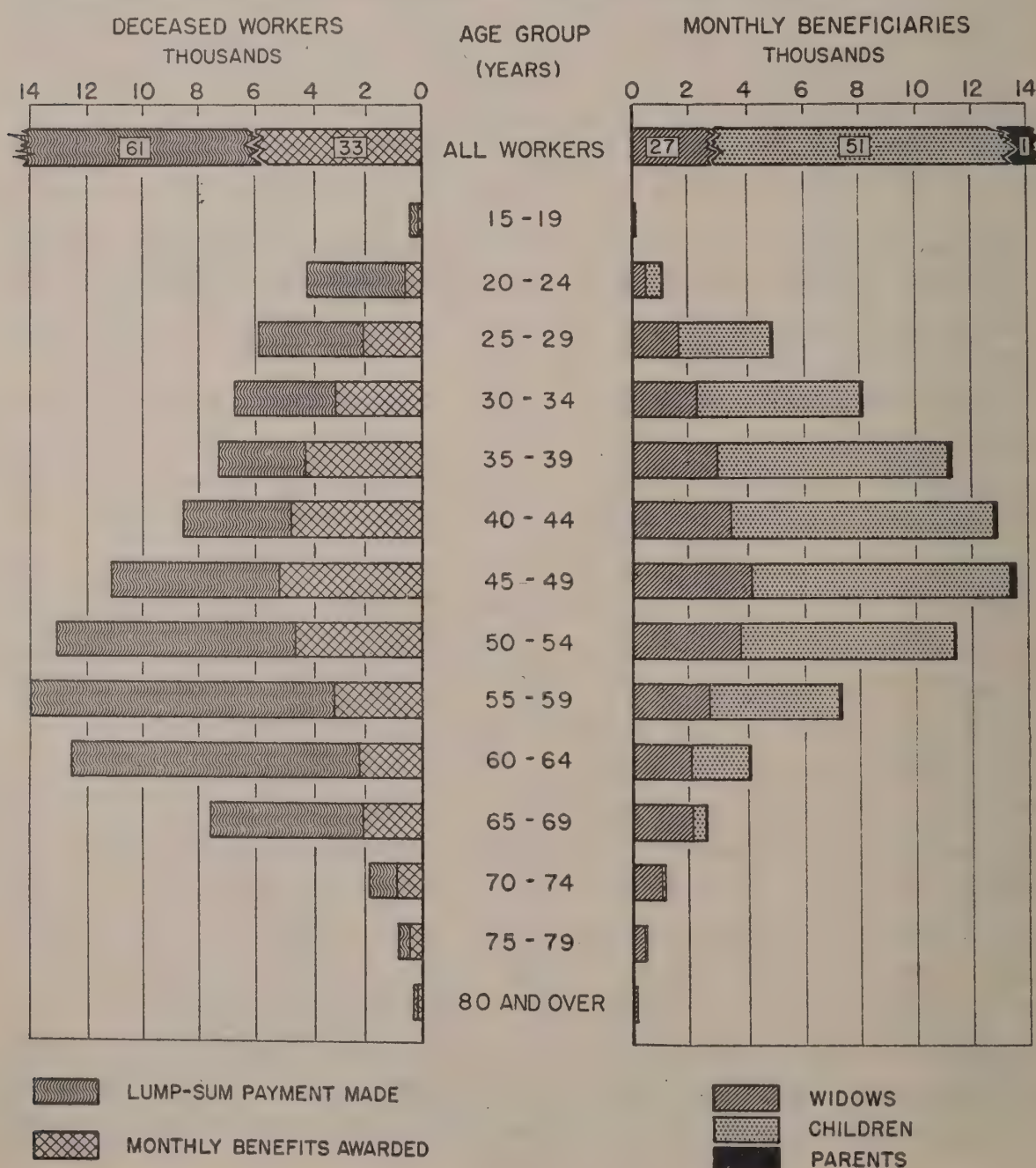
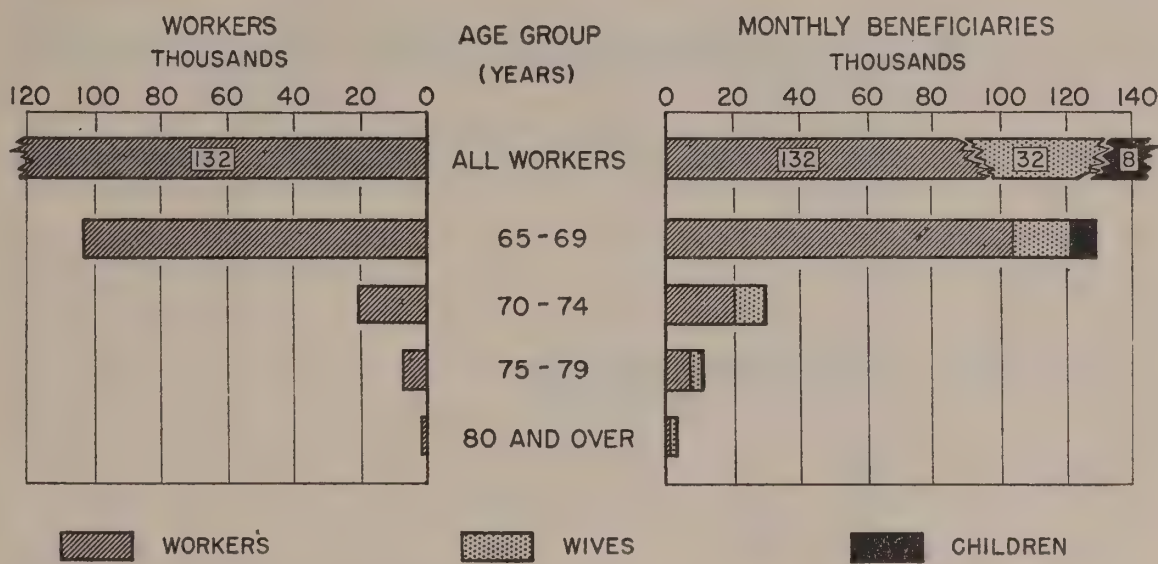


Chart 10.—Old-age and survivors insurance: Workers aged 65 and over on whose wages primary benefits or primary and supplementary benefits were awarded in 1940 and number of beneficiaries for whom monthly benefits were awarded, by age of worker at entitlement



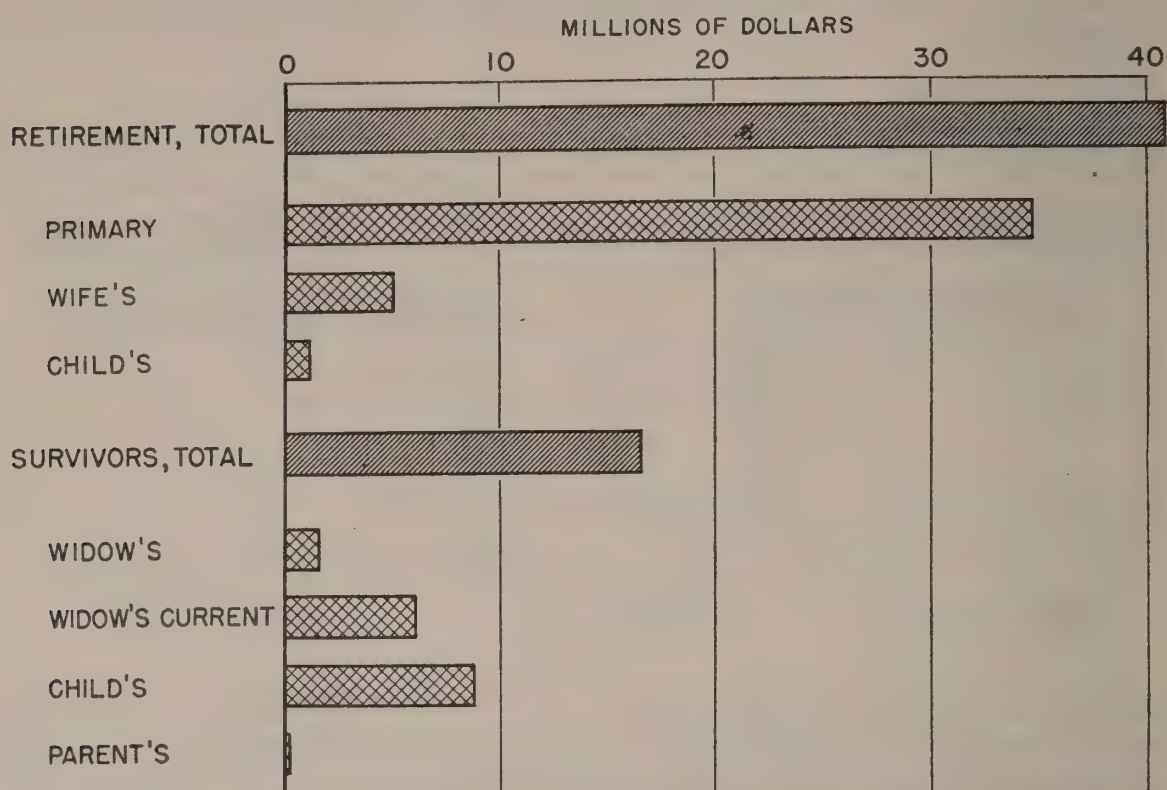
gram; many such persons risk a loss or diminution of the rights already acquired under Federal old-age and survivors insurance without a gain of corresponding rights under any other program. Extension of coverage, coordination of existing public provisions for retirement and survivors' benefits, and measures for preserving insurance rights of men called to the armed forces are therefore of special importance at this time.

Benefits and Beneficiaries

At the close of the fiscal year 1940-41 more than 370,000 men, women, and children were entitled to receive monthly insurance benefits amounting to nearly \$7 million a month. More than 245,000 monthly benefits, or about two-thirds of those in force, had been awarded to aged persons—workers, their wives or widows, or the parents of deceased workers. The remaining monthly benefits were awarded to children of deceased or retired workers and to widows aged less than 65 years who had such children in their care.

During the year and a half in which monthly benefits had been payable, some 532,000 claims were awarded for monthly benefits and lump-sum death payments under the 1939 amendments. Payments certified for such claims amounted to \$79 million as of June 30, 1941; of this total, \$64 million was certified for monthly benefits and more than \$15 million for lump-sum death payments. In this same period, lump-sum death payments totaling about \$3 million were awarded under the 1935 provisions of the act with respect to the wage records of 39,000 workers who died prior to January 1, 1940. In June 1941

Chart 11.—*Old-age and survivors insurance: Amount of monthly benefits certified by type of benefit, fiscal year 1940-41*¹



¹ See table B-9.

payments certified for monthly benefits totaled \$6.5 million, as compared with \$2.3 million in June 1940; lump-sum payments amounting to about \$1.0 million were certified in each month of the fiscal year.

During the calendar year 1940, the average old-age benefit awarded to workers on the basis of their own wage records was approximately \$23 a month; for men the average was slightly more than \$23, and for women about \$18. Since the 1939 amendments to the Social Security Act shifted the emphasis of the program from the protection of the aged individual to family protection, total payments to a family give a more realistic measure of the protection afforded. For families in which both the retired worker and his wife were beneficiaries, or in which the worker and one or more children were receiving benefits, the average was nearly \$37 a month. The average monthly amount awarded to a widow and one child was \$34; to a widow and two children, \$47; and to a widow and three children, \$51. To families in which only a child or children of deceased workers received benefits, the average amount was \$12 for one child, \$23 for two children, \$34 for three children, and \$47 for four or more children. Smaller average amounts were paid to aged widows of deceased workers and, in the absence of a surviving wife or child under age 18, to an aged parent or parents who had been dependent upon the deceased worker.

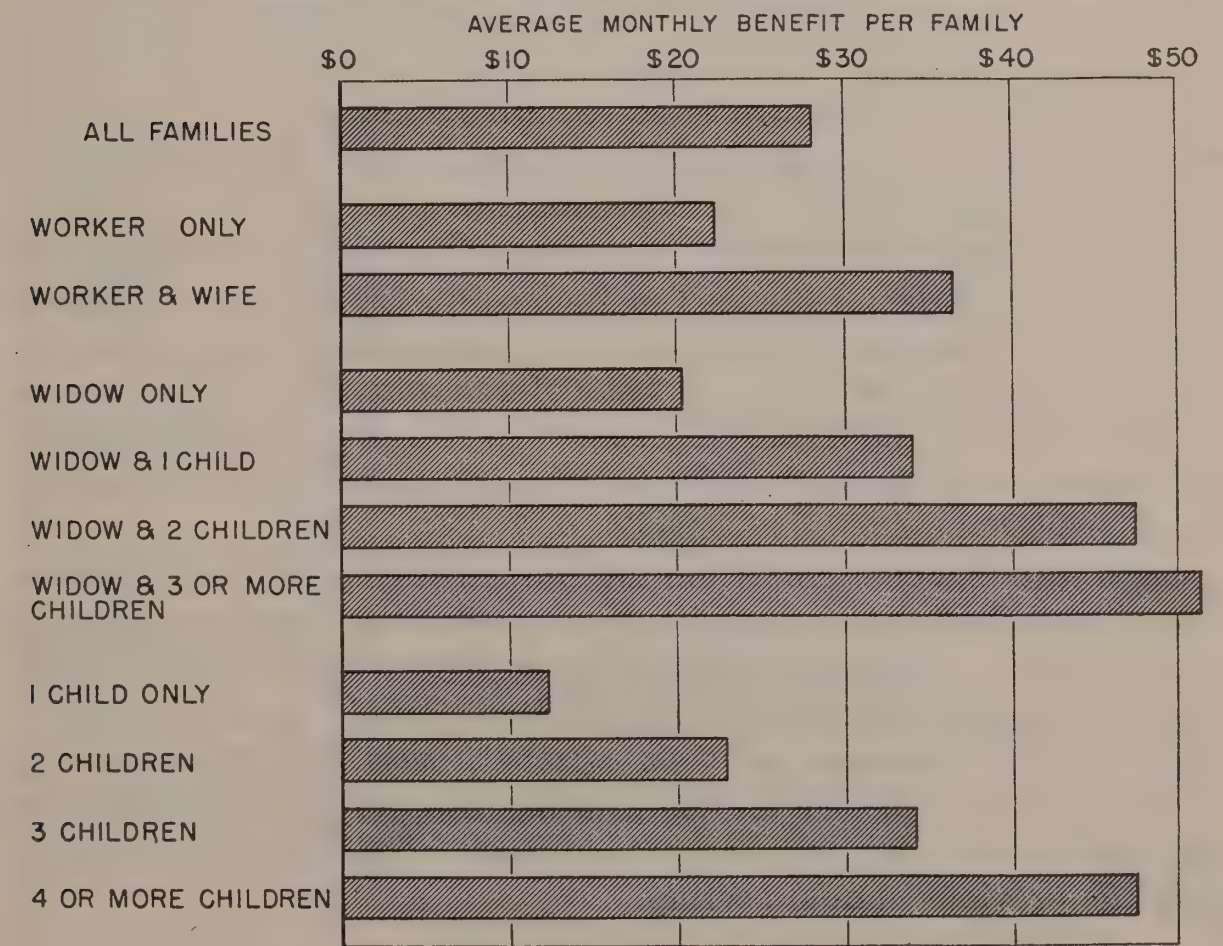
Among beneficiaries of each type there is a considerable range in

the amounts received, which are based upon the legally defined average wage of the worker with respect to whose wage record the benefit is payable. The benefit formula is weighted in favor of the low-paid worker, and for this reason nearly 40 percent of all primary benefits are amounts of \$20 to \$25 a month; more than 30 percent, however, are larger amounts. There is a similar dispersion in the amounts of benefits of other types. Thus it appears that the system is achieving the objective of paying substantial benefits to low-paid workers, while at the same time paying larger benefits to higher-paid workers in accordance with their higher earnings. Also as a result of the weighting of the benefit formula and because of the minimums and maximums, there is relatively less variation among the States in average benefits than in average taxable wages. The averages for primary benefits awarded in 1940 ranged from about \$19 a month in Mississippi to about \$25 in New Jersey (chart 13).

Administrative Developments

Regular monthly payment of benefits necessitates continuous activities to keep abreast of changes in the status of beneficiaries which would affect their continuing entitlement to benefits; to learn of circumstances, such as return to covered employment, which

Chart 12.—*Old-age and survivors insurance: Average monthly benefit awarded per family, selected family groups of beneficiaries, 1940*



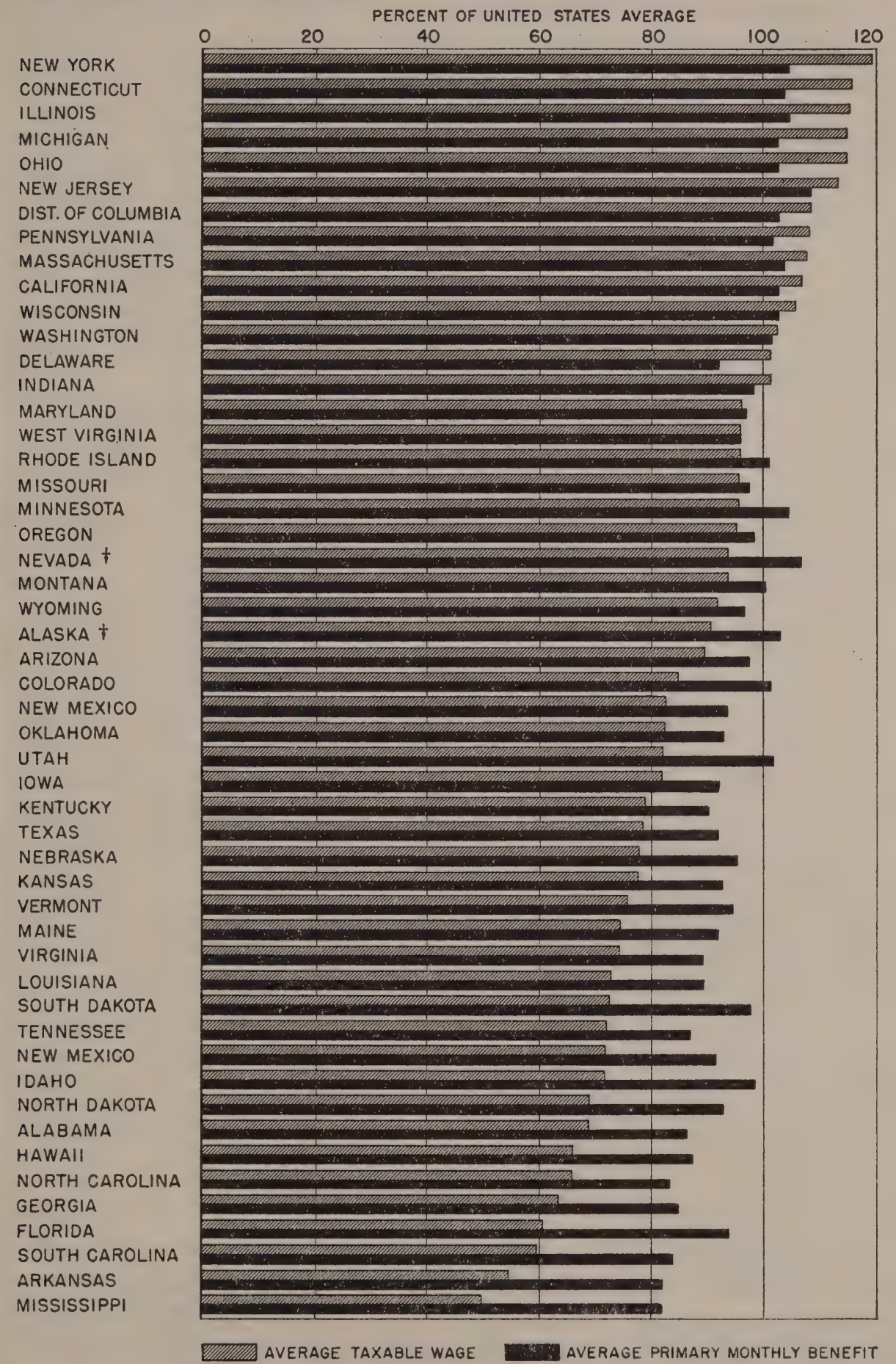
require suspension of payments; to record changes in the addresses of beneficiaries; and to effect the monthly recertification to the Treasury Department of the roll of beneficiaries to whom checks are to be mailed. Analyzing the economic status of those who receive benefits, devising means for advising them of their responsibilities, and studying the problems of compliance and continued eligibility have been major administrative responsibilities during this fiscal year.

To these ends, an educational campaign was undertaken for operating personnel and, almost simultaneously, for beneficiaries and potential beneficiaries. In meeting the special requirements for the continued receipt of certain types of benefits—for example, those for children—cooperative arrangements were made with schools throughout the country and with welfare agencies of certain States. The mature experience and recommendations of other agencies disbursing regular payments were considered and utilized, and foreign techniques were also appraised.

In the process of adjudicating claims, many problems have arisen in obtaining necessary proofs of age, death, relationship, or dependency; in determining whether particular services are covered; and in interpreting and applying the eligibility and benefit provisions. Procedures for the determination of age and death have been evaluated and improved. With more mature experience, the problems of administration encountered in applying the relationship and dependency requirements for wife's, widow's, child's, and parent's benefits have been brought nearer to a satisfactory solution. New questions have arisen which have required collaboration with public welfare agencies, particularly with respect to the guardianship and adoption of children. Much attention has been given to mutually agreeable interpretations of "employment" covered by old-age and survivors insurance on the part of the Board, the Bureau of Internal Revenue, and the Railroad Retirement Board. Further progress was made in providing for reconsideration of determinations of the Bureau of Old-Age and Survivors Insurance on benefit claims and wage entries and, when requested, for hearing and review of Bureau determinations by the Appeals Council.

Organizational changes within the Bureau of Old-Age and Survivors Insurance, effected to cope with the complexities introduced by the benefit program, included delegation to a single division of all processes concerned with the control of claims. Revision of wage-record activities on a functional, rather than regional, basis was completed. A method was established for distributing the posting of wage items throughout the year and has proved more efficient and economical than the previous annual posting.

Chart 13.—*Old-age and survivors insurance: Average primary monthly benefit awarded in 1940 and average taxable wage in 1939¹ for each State as percentages of corresponding averages for the United States*



¹ See table B-3.

† Less than 100 claims for primary monthly benefit awarded.

Program Evaluation

Attention during this growing period, however, was not restricted to establishing accounts, maintaining wage records, and adjudicating and paying claims for benefits. Effort was devoted to evaluating progress thus far made and to planning for the future development of the program. The existing program has been weighed to determine how well it is fulfilling the purposes for which it was designed. Administrative experience in the adjudication of claims has been analyzed to uncover and correct imperfections and anomalous situations. Statistics of the wages and employment experience of covered workers and of the characteristics of claimants are being compiled and analyzed to determine whether eligibility requirements and the benefit formula are appropriate to the employment and earnings experience of the large mass of covered workers.

The present law gives potential protection to only about two-thirds of the labor force of the United States. Extensive studies have been made, proceeding on the basis of investigations commenced last year, of the feasibility of including workers in the large areas of employment still unprotected, chief among them agricultural labor, domestic service in private homes, and employment by nonprofit institutions and governmental units and instrumentalities. Most self-employed persons also need insurance protection. Emphasis has been placed during the year upon developing data as to the economic characteristics of these groups and evaluating proposals to extend the program to meet their basic needs.

Studies likewise have been made, in consultation with representatives of the Veterans Administration and the War and Navy Departments, of the insurance status of workers inducted under the Selective Training and Service Act or called to other branches of the armed forces. In this and other connections, questions concerning the interrelationships of existing governmental retirement systems have also been subjected to close study. It is recognized that a series of unrelated protective programs is wasteful and often proves inequitable to persons who transfer from one job to another. Attention likewise has been given to extension of the scope of the program through provision for workers who are chronically disabled and for their dependents.

Determining Rights to Benefits

The foundation for handling the new types of claims had been laid before monthly benefits became payable, and the first half year's operating experience established the soundness of the basic planning. During the fiscal year, however, new questions arose which could not

have been anticipated and for which, as a consequence, policy had not been determined. Tentative policies and procedures adopted during the early administration of the new provisions of the law were reexamined and appraised in the light of continuing experience.

Defining and Determining Coverage

Administrative responsibility for the contribution and benefit provisions of the old-age and survivors insurance program is divided. The Board relies in large part upon the tax returns of employers subject to the Federal Insurance Contributions Act for reports of taxable wages to be entered in the accounts of individual workers, and, since the Bureau of Internal Revenue, which administers the tax provisions, is the agency responsible for determining the liability of employers, the quarterly wage reports of employers reflect the rulings of that Bureau with respect to covered employment and taxable wages. The Board, however, is responsible for final decisions on the rights of claimants to benefits under the program and must define covered employment and wages when claims for such benefits are adjudicated. Although these terms are identically worded in the Federal Insurance Contributions Act and title II of the Social Security Act, conflicting evidence submitted to the two Federal agencies has at times resulted in divergent rulings on liability for contributions and rights to benefits.

To promote uniformity in the interpretation of the law by the two agencies, the field offices of the Board and the collectors' offices of the Bureau of Internal Revenue exchange information relative to the liability of individual employers, and contemplated rulings by either agency which affect the administrative procedures of the other are discussed prior to issuance. As a further aid, a coordination committee has been established, at the request of the Board, to review questions of coverage after efforts to coordinate Board and Internal Revenue opinion have been unsuccessful. The coordination committee consists of representatives of the Office of the General Counsel of the Federal Security Agency, of the Office of Chief Counsel of the Bureau of Internal Revenue, and of the Claims and Tax Division of the Department of Justice. The Department of Justice is represented on the committee to assure impartial consideration of the questions at issue and to provide judgment of the agency which will be responsible for representing the Government in any litigation which may arise in connection with Board decisions on claims and Internal Revenue decisions on tax liability. While opinions of the committee are not binding, they do in fact contribute greatly to uniformity in interpretations by the agencies.

The results of the committee's decisions are far reaching in that

they not only have established protection under the old-age and survivors insurance program for thousands of employees of certain large companies but also have afforded a precedent for similar decisions with respect to the services of hundreds of thousands of workers in similar types of employment. All aspects of the problems confronting the agencies involved are being reexamined with a view to eliminating the anomalies resulting from the dual responsibility for the collection and benefit functions, obtaining more expeditious and economical administration through avoiding duplication of personnel or records, assuring uniform interpretation in rulings and regulations, bettering public relations by obviating dual investigations of employers, and by furthering knowledge of the provisions of the act on the part of wage earners, claimants, and employers.

Consideration has been given to anomalies in coverage provisions and their possible effect on the basic principles of the contributory system. Certain quasi-public corporations, for example, were specifically exempted from all Federal taxation under the respective statutes creating them. The Social Security Act and the Federal Insurance Contributions Act do not list this type of corporation in their exclusions. The Bureau of Internal Revenue has ruled in such instances that the original statute creating such a corporation is controlling. Nevertheless the employees of such employers are subject to the income tax imposed by title VIII of the Social Security Act and the Federal Insurance Contributions Act.

Other coverage problems have been the subject of study and research. Services performed in Hawaii for sugar and pineapple plantations presented a complex problem with respect to the application of the "agricultural labor" exception in the Social Security Act. The segregation of services of a nonagricultural and of an agricultural nature has been considered, together with a procedure concerning the value and reporting of perquisites furnished by the plantations to their employees. The nature and scope of "ritualistic services" performed for fraternal beneficiary societies, orders, or associations, exempt from income tax under section 101 (3) of the Internal Revenue Code, have been investigated in cooperation with the Bureau of Internal Revenue so that a uniform rule might be adopted in applying the exception from coverage accorded such services. Further coordination with the Bureau of Internal Revenue has been effected with respect to rulings on coverage of the services of night watchmen, salesmen on a commission basis, realty salesmen, and various occupations classified under agricultural labor.

Measures have also been undertaken to coordinate rulings of the Social Security Board and the Railroad Retirement Board. A study

is being made of the activities and functions of business establishments whose status under the respective laws is not clear. It is anticipated that this study will result in final determinations as to which agency has jurisdiction over these employers, and will indicate whether amendatory and clarifying legislation is needed. During the year, regulations of the Board were amended to accord with an act of Congress (Public, No. 764), approved August 13, 1940. This act, excluding from coverage under the Railroad Retirement Act certain services performed in connection with coal-mining operations closely connected with railroad operation, was made retroactive to the time of the original enactment of each law it amended. By excluding these services from the Railroad Retirement Act, the law inferentially extended the scope of the Social Security Act to include such services.

Defining Taxable Wages

Sick pay.—The term “wages” as it is defined in the Social Security Act does not include any payments made to or in behalf of an employee under a plan or system established by the employer which makes provision for his employees generally or for a class or classes of his employees on account of retirement, sickness or accident disability, medical or hospitalization expenses in connection with sickness or accident disability, or death. In many cases involving sick pay, the problem arises as to whether payments are wages or payments made pursuant to a plan. Employers desiring to aid employees in attaining an insured status often contend that they had no “plan,” while others desiring to avoid tax liability have claimed there was a “plan” under the meaning of the act. To establish uniformity in decisions, the Board, after consultation with the Bureau of Internal Revenue, declared that for a plan or system to exist it must appear: that the plan or system has been established and communicated to the employees; that provision is made for all employees or for a definite class or classes of employees; and that the plan or system has definite eligibility requirements, definite payments, and definite time limits. It is not necessary that the plan be in writing.

Posthumous payments.—The Social Security Act requires that to constitute wages remuneration must be “paid to the individual.” A strict interpretation would exclude remuneration earned by an individual before his death but paid after death to his estate or heirs; when such remuneration is the deciding factor in determining whether an individual had an insured status, the claim would be disallowed. Several cases have arisen in which an individual died on the day his wages would regularly have been paid, or a few days thereafter. Had the wages for that pay day been received by the individual before

death, he would have had insured status. Feeling that the strict interpretation was alien to the intent of the act, the Board has ruled that wages earned by an individual and paid to his estate or heirs during the quarter in which he died should be construed as payments "to the individual."

Constructive payment.—One of the elements of entitlement to insurance benefits is that wages must have been paid to the wage earner. "Wages paid" means wages actually or constructively paid. Under regulations promulgated by the Board, in order to establish constructive payment of wages it is necessary for the claimant to establish: that the wages in question were either credited to the account of, or set apart for, the wage earner; that there was no substantial limitation or restriction as to the time or manner of payment, or condition upon which payment was to be made; and that the wages were available to him so that they might be drawn at any time and their receipt brought within his own control.

Three groups of cases have presented problems in the application of these regulations. The first group consists of cases in which an error on the part of the employer results in failure to credit the employee with wages and actual payment is made when the error is discovered in a subsequent quarter, too late for the individual to obtain a needed quarter of coverage. In the second group, the wages could have been paid or credited on a quarterly basis, but under the original act, until 1939, there was no necessity for so doing since "quarters of coverage" had no meaning. In the third group, the question is whether accrued wages can be considered constructively paid before a regular pay day if the employee could have received advance payment had he asked for it. The results of an analysis of cases involving these questions will indicate in what direction revision of Board policy is necessary to effectuate the intent of the law.

Proof of Death

A procedure was instituted in January 1940 under which State registrars furnish the Board with a short-form death certificate for decedents who were in benefit status or who held account numbers. By the end of the fiscal year, all jurisdictions but one were reporting deaths of such individuals to the Board. Ohio, New York City, and Nebraska entered the reporting program during the fiscal year. The remaining jurisdiction—Massachusetts—is still unable to cooperate because of certain provisions of State law. The operation of this plan has been decentralized, insofar as possible, to the field offices which parallel the offices of State registrars.

To evaluate the effectiveness of the plan, during a test period

notifications of death were checked against the wage accounts established by the Board. Of 1,257 notifications, 1,128 were positively identified in Baltimore as relating to workers with wage records and the remaining 129 were tentatively identified with some uncertainty as to whether the name on the proof-of-death form corresponded to that on the wage record. The 1,257 forms were sent to the 75 field offices concerned, and field-office investigation established the identity of the deceased wage earner in all but 9 cases. In nearly half of the positively identified cases, the proof-of-death form was the first notice of the death received by the field office; no inquiries had been received from relatives of the deceased workers concerning potential claims for survivors' benefits.

Problems of Relationship

Under the provisions of the Social Security Act, determination of the relationship of husband, wife, child, and parent is based upon the intestacy law of the State of domicile of the worker with respect to whose wage record the claim is made. Because of the wide variation in the provision, interpretation, and application of such State laws, consideration of the claims of dependents or survivors of insured workers has involved administrative complexities. These differences sometimes have made it necessary for the Board to make opposite decisions in the cases of claimants who lived in different States though other factors affecting family relationships were substantially similar.

Marital status and divorce.—Problems have arisen concerning the status of the wife or widow of a wage earner whose previous marriage was terminated by divorce in a State other than that in which he was domiciled. The question arising in such cases is whether the court which granted the divorce had jurisdiction over the parties to the extent that the decree would be recognized by the courts of the domicile. Studies are being made to develop uniform procedures for handling such cases.

Adoption.—Under the provisions of the 1939 amendments, a child, to qualify for benefits as the adopted child of an individual, must have been legally adopted before the date on which the adopting parent attained age 60, and, in the case of a deceased worker, before the beginning of the twelfth month before the month in which the adopting parent died. Situations have arisen in which legal adoption occurred after age 60 but before passage of the Social Security Act. There have also been many instances in which no legal adoption occurred although the child was ostensibly or virtually adopted. A number of jurisdictions recognize that such a child, although not legally adopted, has acquired the rights of a child in the estate of his foster parent.

This doctrine of "equitable adoption" has been applied by the Board to all jurisdictions which recognize this principle of equity.

To establish equitable adoption, proof of a contract or agreement to adopt by the adopting parent and the natural parent or person having custody or control of the child must generally be shown, and in some States the agreement must also provide that the child is to inherit from the adopting parent; all terms of the contract or agreement must have been substantially performed except the formalities of actual legal adoption. Because of these strict requirements, it has been possible to qualify for monthly benefits only a limited number of foster children who had not been legally adopted. Studies are being made of the advisability of extending protection to dependent foster children.

Dependency Upon Wage Earner

Both the requirements of the Social Security Act and considerations of social policy entail, for certain types of claims, questions of the dependency of the claimant upon the insured worker.

"Living with."—A wife or widow of a wage earner may be entitled to benefits if she was living with the wage earner at the time of application or of his death. "Living with" is defined to mean that the wife or widow was at that time sharing a home with the wage earner, or that she was receiving regular contributions from him toward her support, or that he had been ordered by any court to support her. Of 105,000 claims filed by wives or widows of wage earners as of the end of May 1941, less than 300 were disallowed by reason of failure to establish the fact that the wife or widow was "living with" the wage earner at the time of application or at the time of his death. Cases in which this requirement has proved inequitable exist, however, when a wage earner has abandoned or deserted his wife; when a wife or widow has obtained a court order for support of her minor children but did not request support for herself; when a wife or widow has obtained a court order for support which expired prior to the date when "living with" must be established; and when, at the suggestion of the court officials, a wife or widow seeking a court order for support entered into a voluntary agreement for support which was not made a part of the court record and therefore did not acquire the status of a court order. Examination is being made of the cases disallowed and of the requirements of State workmen's compensation laws and the requirements for wife's or widow's benefits in other similar statutes, to consider the advisability of extending the present interpretation of "living with" or modifying the requirement by legislation.

"In her care."—A widow under the age of 65 may become entitled

to monthly benefits only when she has in her care a child entitled to child's insurance benefits. Recognizing that the phrase "in her care" did not require that the widow and child constantly share a common roof, the Board has made a careful analysis of 15,092 claims for benefits to children of deceased workers. After consultation with the United States Children's Bureau and the Bureau of Public Assistance, the Board adopted the following policy:

A widow is deemed to have a child in her care if she and the child are living together, even if the widow is mentally incompetent and a legal guardian has been appointed for either the child or the widow. If the child and widow are temporarily separated, the widow is deemed to have the child in her care if the separation is unlikely to extend beyond 6 months. If the child is in a hospital, or is away at school but spends an annual vacation of a month or more with the widow, and if the child is not a public charge, the widow is deemed to have the child in her care. She is not deemed to have the child in her care in case of abandonment or other clear-cut permanent separation, or if the separation is the result of a court order which removed the child from the effective control of the widow, or if the widow and child are separated and the widow has been declared incompetent by judicial or medical authority.

Guardianship.—Claims filed in behalf of minor children and incompetent adults impose upon the Board an obligation to determine that payments will be applied to the personal use of the beneficiary. The act authorizes the Board to make payment directly to the beneficiaries or to legal or de facto representatives of such individuals, and simultaneously imposes the obligation to develop standards for judging the qualifications of guardians. From the continued study of claims involving guardianship questions has come a progressive refinement of procedures for developing the claims and modification and revision of policies which guide the selection of guardians.

The usual order of preference for payees in behalf of minor children, which is based on considerable experience, is: legal guardian; widow or widower (in her or his own behalf and in behalf of her or his own minor child); natural or adoptive parent; guardian in fact (close relative or personal friend); child over 16 for whom no competent guardian is available and whose capacity to act in his own behalf is established.

In most cases, there is a responsible payee in the person of a surviving parent or a close relative. Upon occasion, selection of a guardian involves consideration of serious social problems, and special training, experience, and at times authority are needed to resolve questions concerning the care of the child. In evolving policies and procedures to meet the Board's responsibilities in these cases, representatives of

the Bureau of Old-Age and Survivors Insurance have conferred frequently with personnel of the Bureau of Public Assistance and other agencies. Valuable assistance in shaping standards and methods has been given by the United States Children's Bureau, the Veterans Administration, and committees and staff members of the American Public Welfare Association.

A survey of guardianship cases is to be made to measure the adequacy of existing controls and procedures and to indicate whether additional provision for supervising guardians and their use of benefit payments is needed. The immediate purpose is to determine whether payments are being used in the interests of the beneficiary, whether the guardian is continuing to exercise responsibility for his ward, or whether changes have occurred since the award was made which may demonstrate that someone else would be the proper person to receive payments in behalf of the beneficiary.

In cases in which there is no clear indication of the proper payee in behalf of minor children and incompetent adults, the present policy is to look to a recognized local agency for information and advice. It is believed not only preferable but highly important that social problems be determined by agencies maintained for that purpose by the community in which the applicant lives, and that the solutions be in terms of local standards and customs. Problems necessitating the study of family relationships, or the intervention of the community when family relationships have been dissolved, require individualized consideration. For example, it has appeared in some cases that the child's welfare required authoritative action to effect a separation from the person with whom the child was living.

A procedure has been developed whereby public welfare agencies may help in the handling of claims involving the selection of guardians for minor children. At the present time, unless the local welfare agency can assist upon the basis of facts already in its possession, these claims are referred to the State public welfare departments. During the fiscal year, 127 cases were referred to the public welfare departments of 36 States. It is expected that the present procedure will be simplified through arrangement for referral by the Board's field offices directly to local welfare agencies designated by the State departments as qualified for this service.

A survey was made of the public welfare resources of each community served by the respective field offices. The purpose of this inventory was to equip field personnel to give as complete and accurate information as possible to persons who ask for help in directing them to other agencies in the community. An insurance system is limited as to benefits by the conditions governing eligibility and payments.

The needs of the beneficiaries are not limited. In many cases, supplemental services are imperative to the welfare of the individual. Through this survey and the maintenance in field offices of reference services concerning the nature, function, and methods of community welfare resources, it is believed that the social security program will gain in community understanding and cooperation.

Parent's dependency.—The Social Security Act requires that a parent, to qualify for monthly benefits, must have been “wholly dependent upon and supported by” the wage earner at the time of the wage earner’s death. Although no changes were made in the basic policies formulated last year in interpreting this requirement, studies of individual cases have resulted in further interpretation. If a married daughter with whom the parent lives was working or received other income sufficient to support the parent for at least 3 of the 12 months preceding her death, and during the remainder of the year untoward circumstances prevented such income from continuing and the parent was supported by the son-in-law or relief, the Board considers that the parent was dependent upon the daughter regardless of the amount of support to the household contributed by the son-in-law. Debts of the parent can be deducted in computing the value of property owned by the parent; income of, or contributions by, the wage earner to one parent would be presumed to be for both parents if they were living together; and during illness or unemployment of the wage earner on whom the parent has been actually dependent for at least 3 of the 12 months preceding death, generally the parent will still be considered dependent upon the wage earner unless the parent’s total income, including that from other means of support, exceeds 75 percent of the total amount received while the wage earner was contributing to his support. In the latter instance, if the income is received from public assistance or relief payments, the parent will still be presumed dependent upon the wage earner. New situations continue to require refinements of existing standards.

Other Eligibility Problems

Homicide cases.—Cases in which the claimant had caused the death of the wage earner by a felonious homicide necessitated a policy determination by the Board that a person found guilty of the homicide of the wage earner could not become entitled to any benefits based on the wage record of that wage earner, and that the survival of the felon does not preclude the entitlement of persons otherwise eligible for a lump-sum death payment. This ruling is in accord with similar policies adopted by other agencies, among them the Veterans Adminis-

tration. In each case the decision as to whether the homicide is felonious depends upon the finding of the State courts.

Missing persons.—The act provides that survivors of a wage earner have rights to the lump-sum death payment in a certain order of priority, namely, spouse, child, grandchild, parent, and the person who paid burial expenses. In some cases, however, it is virtually impossible to ascertain whether a relative with prior statutory rights does survive. Difficulty often arises when the relative and the wage earner have been separated for a period of years and have not communicated with each other. The problem is important in the case of parent's benefits, when the mere survival of a widow or an unmarried child under 18 would defeat the parent's claim. In these situations, the Board is confronted with the problem of determining whether the persons filing claim are entitled under the law and is hampered in reaching a conclusion by a lack of knowledge as to whether the missing relative survives. A close relative, such as a parent or a child, who has lived with the wage earner for a long time and who has paid the burial expenses feels it unjust that his claim is disallowed because a spouse who had deserted the wage earner many years before may be alive. Although not large in number, cases involving missing persons create particularly anomalous situations. Presumption of death of the missing person after an unexplained absence of 7 years provides only a partial solution.

Indian wards.—Under the original provisions of the act, all payments in behalf of Indians who are wards of the Federal Government were paid to the superintendent of the Indian reservation as guardian ex officio. This practice was continued for a short time under the amended act. However, as a result of several conferences during the year with the Office of Indian Affairs, procedure has been perfected whereby payment will be made in most cases directly to Indians in the same manner as to other beneficiaries.

Reconsiderations and Appeals

The administrative machinery for reconsideration of the Board's determinations with respect to wage entries and to claims for benefits and for appeals from such determination was not called into action until the beginning of the fiscal year. Under the system, the Bureau of Old-Age and Survivors Insurance grants a reconsideration of its initial determination upon request of a dissatisfied claimant. The appellant, however, may ask for a hearing before a referee and review by the Appeals Council without first requesting the Bureau's reconsideration, and he may appeal from the reconsidered determination of the Bureau if he finds it unsatisfactory. A referee has been ap-

pointed in each of the 12 administrative regions of the Board for the purpose of holding hearings. These officials function under the direction of the Appeals Council, with the assistance of a consulting referee who reviews and coordinates the regional referees' decisions. A claimant who is dissatisfied with the referee's decision may carry his case to the Appeals Council, which also reviews difficult cases on its own initiative or upon the certification of the referee.

Most claimants appear to find the initial determination of the Bureau of Old-Age and Survivors Insurance acceptable, since during the fiscal year there were only about 1,500 requests for a reconsideration or hearing. During the same period some 410,000 claims were received, of which about 7 percent were disallowed. Potential appellants, however, consist not only of claimants who may be dissatisfied with the sum allowed them or with total disallowance of awards, but also of all workers whose wages are reported to the Board—considerably more than half the working population of the country. A wage earner who questions the wage record of the Bureau may request its reconsideration or may carry his case to the referee. So far, however, only 7 percent of all appeals have arisen from requests for revision of wage records; more than 71 percent concerned claims for monthly benefits; and the remainder involved claims for lump-sum payments under the 1935 provisions or the 1939 amendments.

The majority of dissatisfied claimants request, in the first instance, a reconsideration of the initial determination rather than a hearing before a referee. For many claimants the reconsideration process seems to provide, at a relatively low administrative cost, an adequate review and reappraisal of the merits of their claims. On the basis of a sample study of cases reconsidered in January–April 1941, less than 5 percent of those who ask for reconsideration subsequently request hearings before referees of the Board. The detailed explanations which are given to claimants probably account for general acceptance of reconsidered determinations. Reconsideration resulted in the revision of initial decisions in 15 percent of the total examined in the sample study. In most cases the revised decision was based on additional evidence.

The Appeals Council received 760 valid, active requests¹ during the fiscal year. Decisions were rendered in 429 cases² heard by referees, while in 176 of the 331 cases pending at the end of June hearings had been completed. The volume of cases considered during

¹ Seventy-one additional requests were dropped because the claimant so desired, or because he failed to appear at the hearing, or because the claim had not been previously adjudicated by the Bureau, or because the appellant was not a party in interest.

² Twenty-five of these decisions were those of the Appeals Council in cases in which the referees had issued no decision but had certified the case to the Council for its decision.

the first year of operation has afforded a satisfactory test of the basic provisions for hearing and review and of the appellate regulations adopted in October 1940.

Many of the cases heard by referees involve close questions of fact or debatable legal issues. As would be expected, there has been a higher percentage of reversals in these cases than in redeterminations. In 94 cases, about one-fourth of the total number decided by referees, the Bureau's determinations were reversed; in 310 cases, Bureau determinations were affirmed. Cases which raised unique or unusually difficult questions of law were certified by the referees to the Appeals Council. The more important issues involved in certified cases were related to the exception of Federal instrumentalities from coverage and the Board's regulations concerning traveling expenses and constructive payment of wages. Forty-six cases were certified by the referees to the Appeals Council, and in more than half of those in which decisions were rendered the disposition of the case differed from the determination of the Bureau of Old-Age and Survivors Insurance. In cases in which a contestant exercised his right of appeal to the Council, however, the issues were much simpler, and in only 7 of the 39 cases reviewed did the decisions differ from the previous determinations of the Bureau.

Only one decision of the Appeals Council was appealed to the courts during the fiscal year. This decision involved claims based upon the remuneration paid to an individual for services as the receiver of an insolvent State bank. The Appeals Council held that the wage earner was not "in employment" as that term is defined in the Social Security Act. On June 25, 1941, the United States District Court for the Northern District of Illinois, Eastern Division, affirmed the Appeals Council's decision, taking the position that the plaintiff did not "render services within the commonly accepted meaning of the term employer and employee"; that "if plaintiff was an employee of anyone he was an employee of the Auditor of Public Accounts of the State of Illinois or, possibly, the State of Illinois, the Auditor acting as the agent of the State in employing him"; and that, as such, his services were excluded by reason of having been rendered for a State or an instrumentality thereof.³

Claims on which the Bureau determinations were reversed by the referee or by the Appeals Council have been carefully reviewed in an effort to ascertain whether a more comprehensive development of the claim in the field office could have made the appeal unnecessary. When such a course would have been possible, the situation was

³ An appeal to the U. S. Circuit Court of Appeals for the Seventh Circuit was entered by the claimant in this case on September 23, 1941.

called to the attention of the office concerned. Information is being developed to determine the extent to which field-office personnel should assist referees by assembling data and attending hearings.

Attention is being given to measures to expedite the handling of cases in the interest of appellants and also to minimize the administrative expense of appeals. Several minor procedural changes have been adopted during the past year to expedite the work of the referees and the Council, and it is believed that other like opportunities will be found without disrupting the fundamental provisions necessary to guarantee each dissatisfied claimant a fair hearing and a decision embodying a clear exposition of the material facts and applicable law.

Benefit-Payment Procedures

Increasing experience in the payment of monthly insurance benefits has made it possible to improve many processes in the handling and control of claims for benefits. The average time elapsing between the receipt of a benefit claim and the issuance of the first check was shortened substantially.

Expediting Certification of Benefits

In June 1941 the average time elapsing between the receipt of a claim in the field office and certification of the first payment to the Treasury was 33.1 calendar days, as compared with 43.5 days in July 1940; activities in the field office required 19.6 days, on the average, and processing time in Washington 13.5 days. These average figures are greatly affected by the time needed for cases in which additional evidence of entitlement to benefits must be obtained. It is believed that with continued improvement of procedures, the averages will be further reduced.

While a claim is being adjudicated it must be possible to locate all related documents without delay, so that any additional advice or information can be considered immediately. A death notice, for example, may be received while an individual's claim for primary insurance benefits is under consideration; prompt use of this information saves unnecessary action and expedites adjudication of the ensuing claims for survivor benefits. When a claims application is received in Washington, it is recorded and the necessary age and wage records are assembled. A charge system has been devised so that a central control desk, where charge cards are mechanically interfiled every hour, is able to locate the claims papers promptly at any stage in the adjudication process.

Certifying Payments to the Treasury

The Social Security Act provides that the Board certify to the Secretary of the Treasury each month the name, address, and amount of monthly benefit payment of each beneficiary. The Treasury Department prepares an addressograph plate which is used to print the check with the amount shown on the schedule supplied by the Board. The cumulative total number of benefits to be certified each month has increased until, at the end of the fiscal year, it was more than 300,000. Each month the Treasury Department furnishes to the Board a list of the checks printed in the previous month, and the Board verifies and makes necessary corrections in the lists.

The return of many beneficiaries to covered employment has greatly increased the problem of recertification. When such a beneficiary earns \$15 or more in any month in covered employment, his benefits and any other benefits based on his wage record must be suspended. The beneficiary is notified that payments will be discontinued, and the Treasury Department is told to stop payment until further notification. About 3 out of every 100 beneficiaries on the rolls change their addresses during a given month. In the fiscal year 62,804 such changes were made. Efforts are made to impress upon the beneficiary the importance of prompt notice so that delay in receiving checks, as well as needless administrative cost, may be avoided.

The amount of a lump-sum payment at age 65 received under the 1935 provisions of the act is deducted from any amounts payable under the 1939 amendments before such payments can be made. Deductions for unpaid 1939 employee taxes required retroactively by section 907 of the act could not be made until February 1941, when records of such items became available. The Board then effected any necessary deductions from benefits in current-payment status and now is making such deductions currently.

Beneficiaries With Wages in Covered Employment

Early in the fiscal year a survey was made to determine the extent to which beneficiaries understood and acted upon their obligation to forego benefits for any month in which the beneficiary or the person on whose wage record the benefit is based rendered services in covered employment for wages of as much as \$15. During August and September 1940, field representatives of the Bureau interviewed members of 12,205 families, comprising a total of 21,049 beneficiaries. The survey indicated that comparatively few of the beneficiaries failed to understand their obligations, that few had experienced events which would affect the active status of their benefits, and that only a

very small proportion of the total had failed to report an event which would affect their benefits.

A complementary source of information on earnings of beneficiaries in covered employment is provided by the regular wage records based on employers' reports. A listing of wage cards showing beneficiaries' earnings is prepared daily for check against the claims folders of the beneficiaries involved. It is not always possible to determine whether or not employment has been reported, because the individual reports employment on a monthly basis while the employer reports the total wages paid during a quarter with no indication of the month in which the wages were earned. If there is any possibility that the individual has not reported a month in which services were rendered for as much as \$15 in taxable wages, a field investigation is made.

Of a total of 86,275 cases examined before July 1941 to determine whether the need of investigation was indicated by the receipt of reports by employers of wages paid to beneficiaries, preliminary examination indicated that no investigation was necessary in 65,000. The wages reported by employers were adequately explained by evidence in the claims folder. For nearly 22,000 cases in which field investigation was requested, 16,000 replies have been received. Violations were indicated in 2,766 cases, and 2,512 penalty deductions were imposed.

In many instances, an individual retiring from employment is entitled to accrued vacation pay. The question therefore arises whether a deduction should be made from benefits otherwise payable for the month or months during which the retiring employee receives accumulated vacation pay. Analysis of claims in which vacation payments were made at the close of employment showed that in every case, whether or not the employer continued the employee on the regular pay roll until the end of the vacation, the intent was to terminate the employment at the time active services ceased. The rule was therefore adopted that when no evidence to the contrary was submitted, it would be presumed that the employment relationship terminated prior to the vacation and no deductions would be made from benefits.

School Attendance

The Social Security Act provides that a deduction shall be made if a child beneficiary over 16 years of age fails to attend school regularly and the Board finds that attendance was feasible. Entitlement to a child's insurance benefit ceases with the month preceding that in which he attains age 18. A method has been devised for automatically calling up the claims folders of child beneficiaries in sufficient

time to request proof of school attendance before attainment of age 16, and for automatic termination of the benefits at age 18. When the child reaches age 16, proof of school attendance is obtained from the family and from the school. Proof of school attendance by children who attain age 16 during the summer months is not requested until the reopening of school in the fall. The form submitted by school officials contains a provision to the effect that the school official will notify the Board at any time the child terminates his attendance.

Beneficiaries Residing in Foreign Countries

Claims filed by persons living in foreign countries are adjudicated according to the same principles as are applied to claims originating in the United States. The fact that Treasury regulations prohibit the payment of benefits in certain designated foreign countries, belligerent or occupied, does not affect the adjudication of claims, although the benefit funds are held by the Treasury Department. The question has arisen, however, whether payment in behalf of such beneficiaries should be made to relatives or guardians living in this country. This problem is being studied.

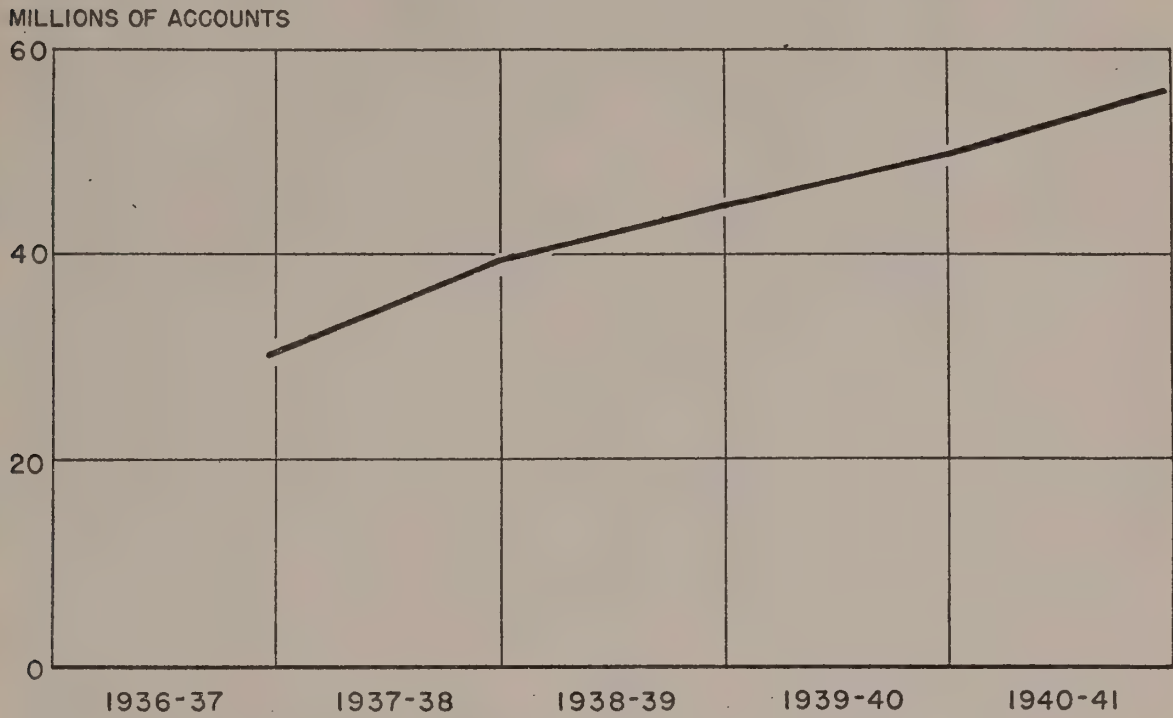
Recording Taxable Wages

By the end of the fiscal year 1940-41 nearly 56 million employee accounts had been established by the Board, in response to workers' applications, to record wages received in covered employment; during the year a net total of more than 6 million new accounts was established. In this period nearly 135 million wage items were received; each item represents the amount of taxable wages paid in a calendar quarter by an employer to an employee. Though incomplete and incorrect reporting still entails administrative difficulties, it is significant that the combined total of incomplete and incorrect wage items discovered in the year represented only 6.2 percent of all items received. In a large majority of cases, subsequent investigation makes it possible to identify and credit these items. Of the total amount of wages reported in all years through 1940, approximately 99.4 percent had been fully identified and entered on the accounts of the individuals concerned by the end of the fiscal year.

Establishing Employee Accounts

The volume of new employee accounts established during the calendar year 1940 followed the seasonal trend shown in the 2 preceding years. The monthly average number, 422,000, was approximately the same as in 1939. In the first half of 1941, however, there was a

Chart 14.—*Old-age and survivors insurance: Cumulative total of employee accounts established, end of each fiscal year, 1935-36—1940-41*¹



¹ For fiscal years 1939-40 and 1940-41, see table B-1.

very large increase as compared with corresponding periods of 1939 and 1940. In June 1941 nearly 855,000 new employee accounts were established, almost twice the number in June 1940. Special arrangements were made in advance to cope with this increased volume of new applications for accounts, which was largely attributable to the increase in employment throughout the country resulting from the defense program.

To reduce the volume of incomplete reporting by employers and to decrease the possibility of assigning more than one account number to a worker, a plan was instituted to issue a temporary receipt, in lieu of an account-number card, when a worker needs evidence of his application in order to get a job and indicates that he may have had an account number previously. When subsequent search of the central records or the duplicate files maintained by the State employment security agencies shows that a number was assigned previously, the applicant receives a duplicate card with the original number; otherwise a new account number is issued. In the interim, the temporary receipt serves as a means of identifying the worker's wages in employer reports.

Incompletely Reported Wage Items

Although employers in general are conscientious in reporting wages paid for covered employment, the continuing volume of incompletely reported wage items still constitutes an important and costly problem.

Arrangements have been made with the Bureau of Internal Revenue to facilitate and expedite investigation of returns which contain incomplete items. Procedures are also being devised to clear up unidentified wage items and to detect employer delinquency by means of routine interviews with applicants for account numbers to ascertain whether they may have had covered employment not previously reported. Efforts to enlist the cooperation of employers were continued by means of visits to new employers by field-office personnel, by mail and personal contacts with employers who had repeatedly included incomplete wage items in their tax returns, and by conferences with contractors engaged in national defense activities. Advance notices of defense projects were sent to the field offices so that regional and field personnel could interview the principal contractors and subcontractors to arrange for the proper registration of their new employees and to enlist their cooperation in submitting complete tax and information returns.

Secondary Wage Evidence

Every effort must be made to obtain information on all taxable wages received by a worker, since incomplete reporting may result in the diminution or loss of benefits for which a worker or his family otherwise might ultimately qualify. New devices, including the use of secondary evidence, have been evolved to clear cases in which wage reports are conflicting or lacking. For example, experiments conducted in New York City led to the adoption of a method whereby the field-office manager calls an informal meeting of the former employees of a delinquent employer who has gone out of business and whose records are unavailable or in dispute. At the meeting, statements are obtained from each employee regarding the amounts of wages received and these amounts are reconciled with the statements of the employer and of other employees, or, if the employer or his records cannot be located, are substantiated by the affidavits of three witnesses, usually fellow employees, who are in a position to know the amounts paid. Such evidence is considered sufficient for crediting wages to the accounts of the wage earners involved.

Exchange of Information With State Employment Security Agencies

Several experiments and investigations were conducted in cooperation with State employment security agencies to work out mutually advantageous procedures in problems of employer reporting. In four States, for example, incomplete wage items which had remained unidentified despite investigation under present procedures by personnel of the field offices were checked against the records of the

State employment security agency. Preliminary analysis of the result points to the desirability of extending these methods to all States in which the employment security agencies use "list" reporting, and indicates also that if certain prescribed rules are carefully applied both the State agency and the Board can gain by this exchange of information.

In September 1940, plans were completed and placed in operation for the exchange of wage information between the Board and the State employment security agencies of New York, Pennsylvania, Maryland, Kentucky, and Delaware. The purpose of this exchange was to consider a coordination of recordkeeping activities which would facilitate operations of the Board, the State agencies, and employers. By May 1941, tests had been completed on material submitted by the employment security agencies of Maryland, Pennsylvania, and New York. The result of the survey indicates the desirability of extending it to other States. When the field has been more thoroughly surveyed through these exchanges of information, it is expected that sufficient data will have been accumulated to make possible the formulation of a definite plan for coordinating wage reporting for both insurance programs, and possibly also for other related programs.

Improvements in Recordkeeping Techniques

The method of posting wage records annually, following the processing of the wage items for the last reporting period of each year, offered many administrative difficulties, among them the fact that it was necessary to expand personnel at that period and operate on a three-shift basis in order to complete the posting in a reasonable period of time. Operating expenses were increased by the necessity of reserving 15,000 square feet of space for active use during only a few months of the year. To overcome these and other disadvantages, procedures were developed whereby posting is performed throughout the entire calendar year. Under this method, a specialized group of employees is engaged continuously in posting. This change has greatly increased production and accuracy, while the space required for the operation has been halved. Use of posting machines also increased both the volume and the accuracy of production.

Removal of Inactive Records

Plans have been initiated for the removal from active files of all employee records which have been totally inactive for a period of at least 3½ years and also for the annual removal of all employee records rendered inactive by the death of the account-number holder, which will reduce the file by at least 125,000 records annually. The Board

has agreed to furnish each State employment security agency with a numerical and alphabetical list of all accounts eliminated because of the death of the account-number holder, to enable the State agencies to correct their files.

Studies of Annual Reporting

In an effort to reduce the reporting problems of employers, the advantages and disadvantages of annual reporting, as opposed to quarterly reporting, were fully explored. The implications of the annual reporting system used by the State employment security agencies of Rhode Island and Illinois were studied. Although at first glance it would appear that one annual report, as opposed to four quarterly reports, would markedly reduce the labor of the employer and also the processing costs, a thorough study does not support this view. The study indicated that the processing of annual reports would result in no substantial saving in operating cost so long as the law requires the submission of information on quarterly earnings. Discussion with many large employers brought out the fact that annual reporting would be simpler for them provided the State employment security agencies were on the same basis, but not otherwise.

Financing Old-Age and Survivors Insurance

The end of the fiscal year 1940-41 marks the close of the first full fiscal year of the fund operations under the 1939 amendments to the Social Security Act. In accordance with the amended provisions, an amount equal to the \$688.1 million collected and covered into the Treasury under the Federal Insurance Contributions Act during the year was appropriated to the old-age and survivors insurance trust fund. In addition, receipts of the trust fund during the year included \$56.0 million in interest earned on investments held.

All amounts credited to the fund are available for expenditures authorized by title II of the act. Amounts paid out of the fund during the fiscal year, including benefit payments and administrative expenses of the program incurred by the Social Security Board and the Treasury Department, totaled \$91.2 million. Of this total, \$64.3 million represented amounts paid by the Treasury for monthly benefits and lump-sum payments certified by the Board.

As provided by law, the Secretary of the Treasury, acting as Managing Trustee of the trust fund, is required to invest the funds. Investments at present are solely in special Treasury obligations authorized by amendment of the Second Liberty Bond Act. Under

the amended Social Security Act, special Treasury obligations issued to the fund are required to bear interest at a rate equal to the average rate of interest on the interest-bearing public debt outstanding at the end of the month next preceding the date of issue. If the average rate is not a multiple of one-eighth of 1 percent, however, the rate on special issues to the trust fund is required to be that multiple of one-eighth of 1 percent next lower than the average rate. Prior to the 1939 amendments, special notes issued to the old-age reserve account were required to yield a minimum of 3-percent interest.

Receipts of the trust fund during the year were invested in 2.5-percent special Treasury notes. Amounts required to finance current disbursements were obtained by redeeming special 3-percent old-age reserve account notes acquired prior to the effective date of the amended provisions. In addition, special 3-percent reserve account notes which matured on June 30, 1941, were exchanged for special trust fund notes bearing 2.5-percent interest.

Total investments held by the trust fund as of the end of the fiscal year 1940-41 amounted to \$2,380.6 million. Other assets of the fund included, as of the end of the fiscal year, \$10.8 million in cash with the disbursing officer and \$6.2 million in credits to the fund account. Thus total assets on June 30, 1941, amounted to \$2,397.6 million.

Appraising the Program

Effective operation of any public program requires continuous examination and appraisal of current experience in terms of the efficiency of existing activities and the relation of such activities to both immediate and long-range objectives envisaged by the legislation. Such an appraisal is of particular importance in view of the scope and magnitude of the Federal old-age and survivors insurance program, which has become in a few years a substantial factor in the lives of millions of families. As a byproduct of administrative operations, the program is beginning to provide information on the nature of employment and on the earnings and characteristics of workers in the United States which never before has been available currently on so vast a scale. Such information of these types is of great significance to employers, workers, and many business groups, as well as to the Board and other agencies responsible for public administration.

Compilation and Analysis

Statistical data obtained as a result of regular recordkeeping and benefit-payment operations provide information on the millions of

workers who are covered by the insurance program and the hundreds of thousands of persons who already are receiving insurance benefits. Tabulations from wage records have indicated trends in wages and employment. In order to obtain such information for separate industries, "establishment reporting" of wages is being developed in cooperation with employers. Under this system, wage reports for employees working in branch establishments of multi-unit concerns are segregated so as to permit accurate industrial and geographical classification of all workers and to supply information on employment, earnings, and retirement patterns in the various branches of industry. A sample of wage records, to be maintained continuously, will supply individual wage histories to permit analyses of the rise and decline of earning power through a worker's productive years. From tabulations derived from the processing of claims have come data on the volume of claims of various types, the characteristics of beneficiaries, and the factors involved in approval or disallowance of claims.

Studies of the characteristics of employees and of their wages for the period 1937-39 indicated a greater movement of workers than had been anticipated between covered employment and noncovered jobs. These indications emphasize the importance of continued appraisal of the provisions which determine each worker's eligibility for benefits and the amount of his benefit, to ensure that these provisions are appropriate to the typical employment histories of workers covered by the program. They emphasize also the problems resulting from the present limitation of social insurance protection to merely a part of what is an essentially integrated labor force.

Special studies are being made to supplement statistical data obtained from operation and to yield new information relating to the needs for revision or extension of the old-age and survivors insurance program. Among the more important of these studies is an inquiry into the importance of the benefit to the recipient and especially into the economic status of old-age and survivors insurance beneficiaries during the year before and the year following the worker's retirement or death. Such a survey was made in Philadelphia during May and June 1941 and will be extended to other cities. Facts are being gathered concerning the wage record of the worker, resources of the "economic family" or household, retirement experience, cash and noncash income, and assets and debts of the beneficiaries. Findings will be of special value in indicating whether changes are needed in the basis for computing benefits or in the minimum benefit now set by the act.

Studies of individuals ordinarily engaged in pursuits excluded from

the program were undertaken to determine the extent to which these workers participate in old-age and survivors insurance benefits. A survey of Negro women in domestic service in Baltimore revealed that, notwithstanding the fact that a substantial proportion earn wages from time to time in covered employment, only a small number are likely to acquire protection under the old-age and survivors insurance program. Those who do have such protection derive it, in almost every case, from the insured status of their husbands rather than from the contributions they themselves have made. At the same time it was found that wage rates and annual earnings in domestic service would often be sufficient to enable these women to qualify for benefits if their domestic employment were covered.

The status of farm laborers in Virginia and of migratory agricultural workers in several southern and midwestern States with respect to the old-age and survivors insurance program was also examined. These surveys, like the survey of domestic workers, revealed that a large proportion of persons who ordinarily engage in noncovered jobs obtain a part of their earnings from covered jobs. Most of these individuals, however, cannot attain insured status because their covered employment is brief and intermittent. To obtain information bearing on problems of one group of the self-employed, a study is being conducted of factors influencing the retirement of farmers and of the adjustments made as a result of retirement. Utilization of surveys of the occupational mobility of farm laborers in Iowa and Arkansas and of migrants in California has been planned.

Employment conditions affecting the worker's ability to qualify for benefits and the levels of his benefits vary from industry to industry. For this reason, studies are being made of the effectiveness of the program in selected industries—among them petroleum, coal, and rubber—in which the effect of the program can be localized. The situation of special groups—such as aged workers, migratory workers, low-paid workers, and others—is also being analyzed since their problems are critical and may provide a clue to the successful operation of a Nation-wide insurance system.

These compilations, surveys, and special analyses have provided the basic materials for examination of past accomplishments, for studies of ways in which the program may be made more effective, and for the projection of estimates for the future. Used in conjunction with information on general economic and population trends, they have supplied the basic economic and social data for actuarial estimates of the future costs of the program and for administrative planning and budgetary purposes. Through such analyses of wage records and of the circumstances of beneficiaries, insight is gained into the effective-

ness of the system in reaching those for whom it is intended. Finally, these compilations and analyses have provided the basis for considering the development of the old-age and survivors insurance system in terms of extension of coverage, supplementary insurance measures, and other modification of existing provisions.

Extension of Coverage

Most individuals cannot save enough during their working years to provide adequately for their dependent survivors or to support themselves when they are old. The number who can do so is especially small among several of the groups whose customary employment is now excluded from coverage under the old-age and survivors insurance program, particularly agricultural workers, domestic servants, and the low-income groups which comprise most of the self-employed. The administrative obstacles to coverage of agricultural and domestic workers which were considered formidable in 1935 appear much less serious now that the system is established.

In a study of the extension of coverage to self-employed persons, special emphasis has been laid on the problem of covering the self-employed persons who are in the lowest income brackets and on the development of techniques to determine the amount of income to serve as a base for contributions and benefits. Special attention has been given also to employers of covered workers, largely because administrative problems connected with their coverage are less difficult than those for the self-employed group as a whole.

Coverage under the old-age and survivors insurance system is needed by many groups which usually are considered as having protection under other programs, such as employees of the Federal Government and of State and local governments. Frequently these other programs fail to provide protection for survivors, ordinarily they do not cover all public employees, and rarely do they provide means for continuance or transfer of insurance rights when workers change their employment. Because a great many persons move from one employment to another at some time during their working lives, it is highly desirable that the old-age and survivors insurance program provide a basic protection for all workers upon which other programs, such as the existing public retirement systems, may be superimposed. The coverage of employees of the Federal Government is particularly urgent because large numbers of persons are entering navy yards, arsenals, or other Government service on account of the defense emergency. Many of these persons have left covered jobs in commerce and industry and will eventually return to such jobs. Unless their services with the Government are covered, they will impair or lose

their insured status under the old-age and survivors insurance program.

Persons who have been called to service with the Nation's armed forces constitute a similar problem which is of greater magnitude because millions of men are involved. Several different types of proposals have been developed to deal with the question of the insurance status of those in the armed forces. One type would merely provide for disregarding, when insurance status is determined, the fact that an individual had not been in covered employment during a period of military or naval service. A second type would deal with the question by extending the coverage of the old-age and survivors insurance system to include employment with the armed forces. A third type would provide for "freezing" the status as of the time individuals entered the armed forces, with no contributions or benefits payable during the period of their service but with a resumption of such status at the time they leave the armed forces; during the period of service they would be eligible for various types of benefits under the Veterans Administration. The second type of plan would seem, in general, the most satisfactory if coordination could be effected with programs set up for persons in the regular armed forces and with the special programs for veterans' benefits.

In order to protect the insurance status of workers who leave covered employment, consideration has been given to measures whereby a worker who had been in covered employment long enough to meet certain minimum requirements could make voluntary contributions to continue his insured status and the level of his potential benefits after he left covered work. A system of continuation coverage could provide some degree of protection pending the gradual extension of coverage to all gainful employment, though it in no way obviates the need for comprehensive coverage.

Problems of Disability

Voluntary continuation coverage would fail in nearly all instances to meet the needs of workers who become permanently and totally disabled and, through continued loss of earnings, impair or lose their rights to benefits under the existing provisions of the program, often at ages when their dependents are in greatest need of protection. Experience under the older retirement laws of this country, such as those for Federal, State, and local employees, indicates moreover that both employers and workers benefit from provisions which permit retirement of disabled workers before they reach the age required for old-age benefits. The Federal old-age and survivors insurance program is almost the only system in the world which fails to combine provisions for old-age retirement and insurance against long-continued disability.

Plans for the extension of the old-age and survivors insurance program to provide monthly benefits in case of disability of the family breadwinner have been studied, and recommendations for the establishment of such a plan have been prepared. The employment and wage requirements for receipt of benefits under such a plan could be essentially the same as those for receipt of present old-age and survivors insurance benefits, and the benefits could be calculated in the same manner.

Modification of Substantive Provisions

In addition to studies and plans concerning the extension of the coverage and scope of the program, studies have been made of the results of the program's basic substantive provisions, among them the requirements of eligibility for benefits, the method of determining the average wage on which benefits are based, the benefit formula, and the minimum benefit. In general, consideration has been given to modifications which would serve to increase the number of persons receiving benefits in the next few years. Special consideration has been given to modifications which would facilitate the protection of new groups. Under the present requirements, groups brought into coverage now or later would be handicapped in comparison with workers who have been covered from the outset. Particular attention has been paid to the size and characteristics of the groups which do not meet the existing eligibility requirements.

Objective methods have been sought for evaluating the adequacy of minimum benefit amounts and the payments provided under the benefit formula. The data necessary for this purpose are not now available, though information is being obtained through the field surveys of beneficiaries previously mentioned. Comparisons with payments under assistance plans are misleading because of differences in the purposes and procedures of insurance and assistance. The provision that benefits are to be withheld for any month in which the beneficiary renders services in covered employment for wages of \$15 or more has been examined, both because of the difficulty of its administration and questions as to its equity.

Administrative experience has disclosed some situations which were not foreseen. In some of these situations individuals are treated inequitably, in others there are undue administrative burdens and expenses, and in still others there are inconsistencies in the operation of the several parts of the law. It has been possible to alleviate some of the undesirable situations through administrative rulings which bring the practical effect into harmony with the clear intent of the law. In other instances, however, corrections can be made only by

amendment of present provisions. Simplicity and economy of administration, equity in the effect of the program on certain groups and individuals, and Nation-wide uniformity in the operation of the law require modification, in particular, of definitions of "wages" and "employment" to clarify items such as sick pay, dismissal pay, tips and gratuities, traveling expenses, and border-line situations involving the employer-employee relationship; certain changes in provisions for parent's benefits and lump-sum death payments; and definition, for purposes of the program, of marital and family relationships to avoid the complexities and anomalies arising from the present use of the intestacy provisions of State laws.

• III •

Employment Security

DURING THE PAST YEAR a most important activity in the field of employment security has been the placement of workers in defense production. The Nation's urgent need to man shipyards, munitions plants and other factories, construction projects, mines, and farms brought prompt response from the coast-to-coast chain of employment offices already prepared to match men and jobs. Through the experience gained in administering employment security programs, an organization spanning all States and Territories stood ready to direct workers to appropriate jobs and to analyze the skills of job seekers; to survey the present and future requirements of employers in terms of the numbers and types of workers needed and devise plans toward meeting these needs; and, for many workers, to bridge gaps in earnings during the inevitable readjustments entailed by the transition to all-out production. The Federal-State programs for unemployment compensation had already provided new bases for relationships between workers and the public employment offices. Records maintained by these offices of the training, experience, skill, and work capacities of individual job seekers provided a means for immediate utilization of available labor in all sections of the country. The benefit rights acquired by industrial and commercial employees provided a source of income when plants were shut down to re-tool or to assemble supplies for defense production.

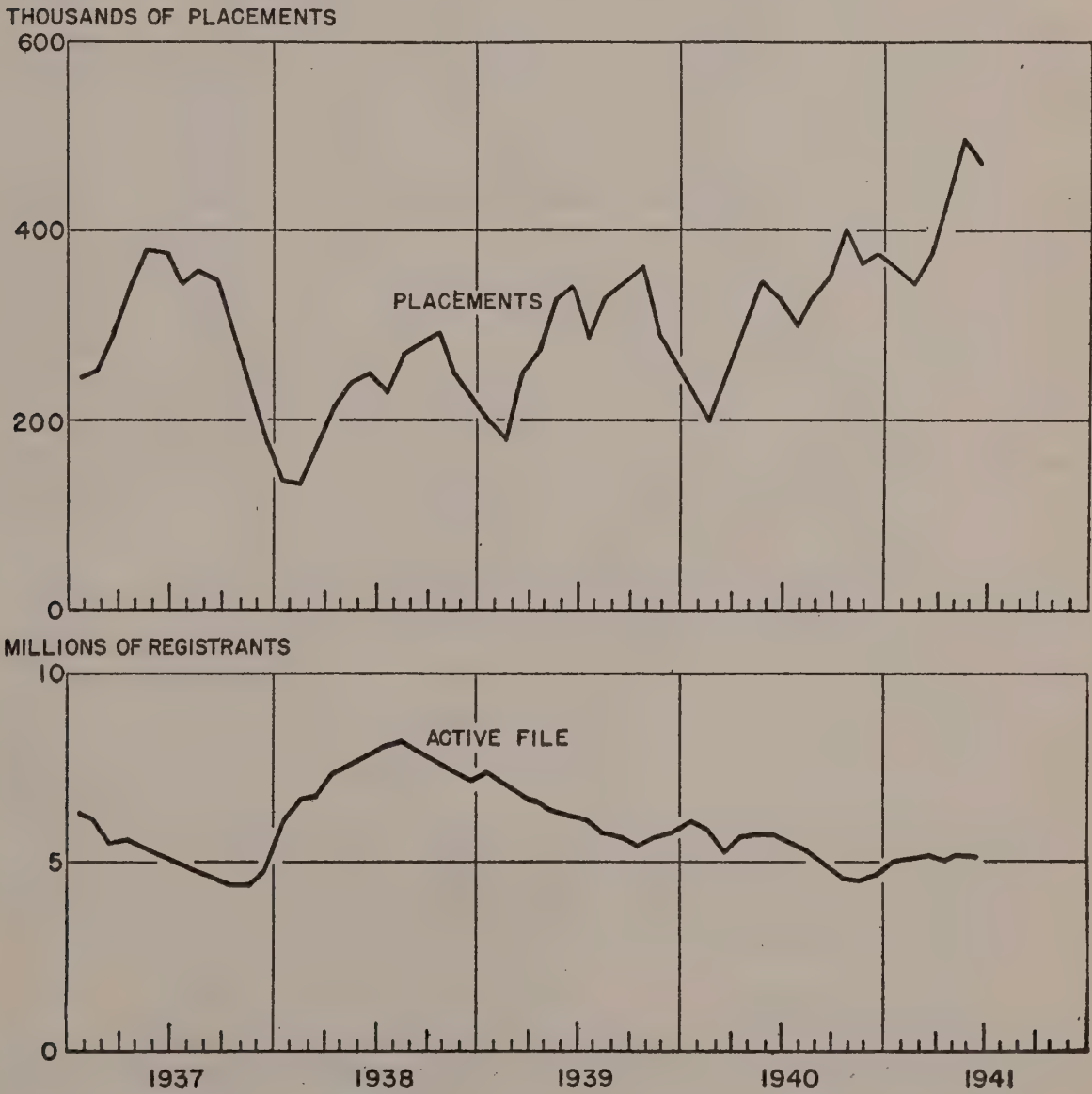
Scope of the Program

The Social Security Board administers the Wagner-Peyser Act in conjunction with unemployment compensation provisions of the Social Security Act and serves as an agency for coordinating the 51 State and Territorial employment security programs. The main responsibilities of the Board in certifying Federal grants to States for the administration of their unemployment compensation programs and for the Federal share of the costs of operating the United States Employment Service, in determining the conformity of State laws and their administration with Federal requirements, and in providing advisory services to the States are assigned to the Bureau of Employment Security. This Bureau works in close collaboration with the

Office of the General Counsel of the Federal Security Agency and with offices of the Board concerned with financial management, merit-system standards, regional policies, informational services, and coordinated research and planning.

The results of collection, consolidation, and analysis of Nation-wide data on job applications, on employment and pay rolls of covered workers, on volume, extent, and duration of unemployment benefits, and on geographic and industrial differences in all these factors have made available a body of information which has proved invaluable in the defense emergency. Moreover, the availability of an integrated system for orderly referral of qualified workers to jobs and for organizing training and pre-employment refresher courses to equip workers to meet the new demands upon their skills in defense projects, and the provisions of State laws for benefit payments to

Chart 15.—*Employment service: Complete placements and active file of registrants, January 1937–June 1941*¹



¹For fiscal year 1940-41, see table C-1.

tide industrial and commercial workers over periods of involuntary unemployment have proved a defense bulwark of significant proportions. Many instances of labor pirating by employers, futile mass migrations of workers in search of illusory jobs, and other serious dislocations of the labor market and the national economy have been forestalled through the prompt action of employment offices and co-operating employers and workers. Intensive efforts to forecast labor needs and to find a useful place in the civilian army of production for all job seekers, regardless of age, sex, race, or physical handicaps, have called into play techniques and forces which may be utilized with equal skill in reorienting the national economy to post-war conditions.

Applicants for Jobs

At the beginning of the fiscal year 1940-41, the active file of the United States Employment Service had 5.7 million registrants, about 11 percent of the labor force of the country. The 17.9 million applications for work received during the year represented a volume second only to the 20 million applications filed in the fiscal year 1933-34, when the employment service recruited workers for the Civil Works Administration program. By the end of June 1941, however, the active file of job seekers had declined to 5.1 million, 11 percent below the figure at the close of the previous year. The proportionate decrease in the number of male registrants was even greater, with a decline of nearly 14 percent from June 1940 to June 1941. The Selective Training and Service Act drew large numbers of potential job seekers from the labor market, and the civilian activities of the defense program resulted in many more placements of men than of women.

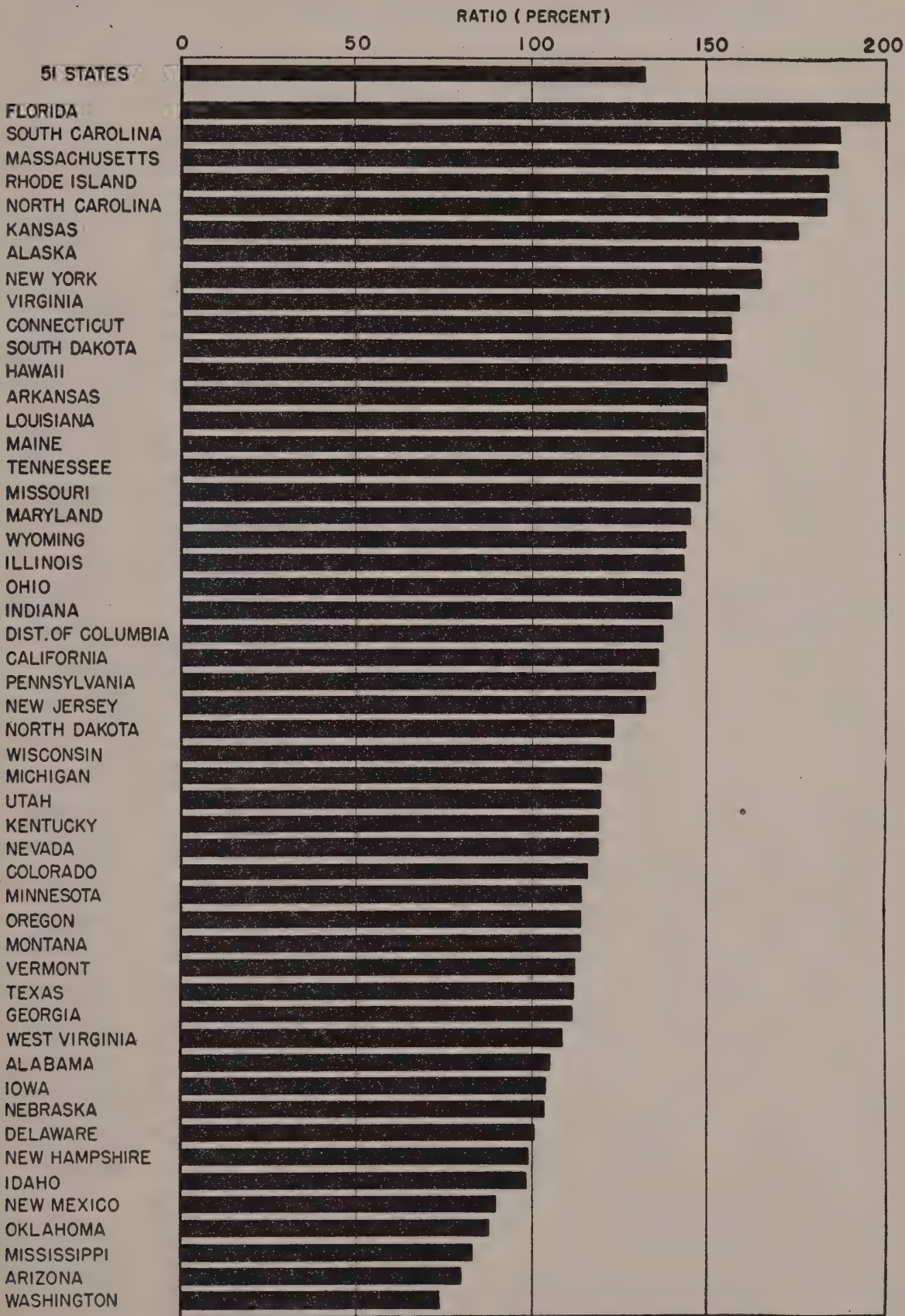
An annual inventory of the active file furnishes a periodic cross section of workers available for jobs. As of April 1941, 26 percent of the available job seekers were women and 74 percent men; 88 percent were white persons, and 12 percent were of other races; 12 percent were less than 21 years of age, and 30 percent were aged 45 or over. An occupational analysis indicates that 4 percent had had recent work experience in professional or managerial positions, 14 percent in clerical and sales jobs, 13 percent in service trades, and 18, 19, and 21 percent in skilled, semiskilled, and unskilled types of work, respectively; 7 percent had had experience in agriculture, forestry, or fishery, and 4 percent had had no recent work experience.

Placements of Workers

In the defense economy distinctions between placements in public and in private employment have been blurred, since it is impossible

to determine the extent to which Government contracts and Federal funds have contributed to the expansion of privately owned plants. Current data therefore combine public and private placements. Dur-

Chart 16.—*Employment service: Ratio of complete placements in fiscal year 1940-41 to complete placements in fiscal year 1939-40, 51 States*¹



¹ See also table C-4.

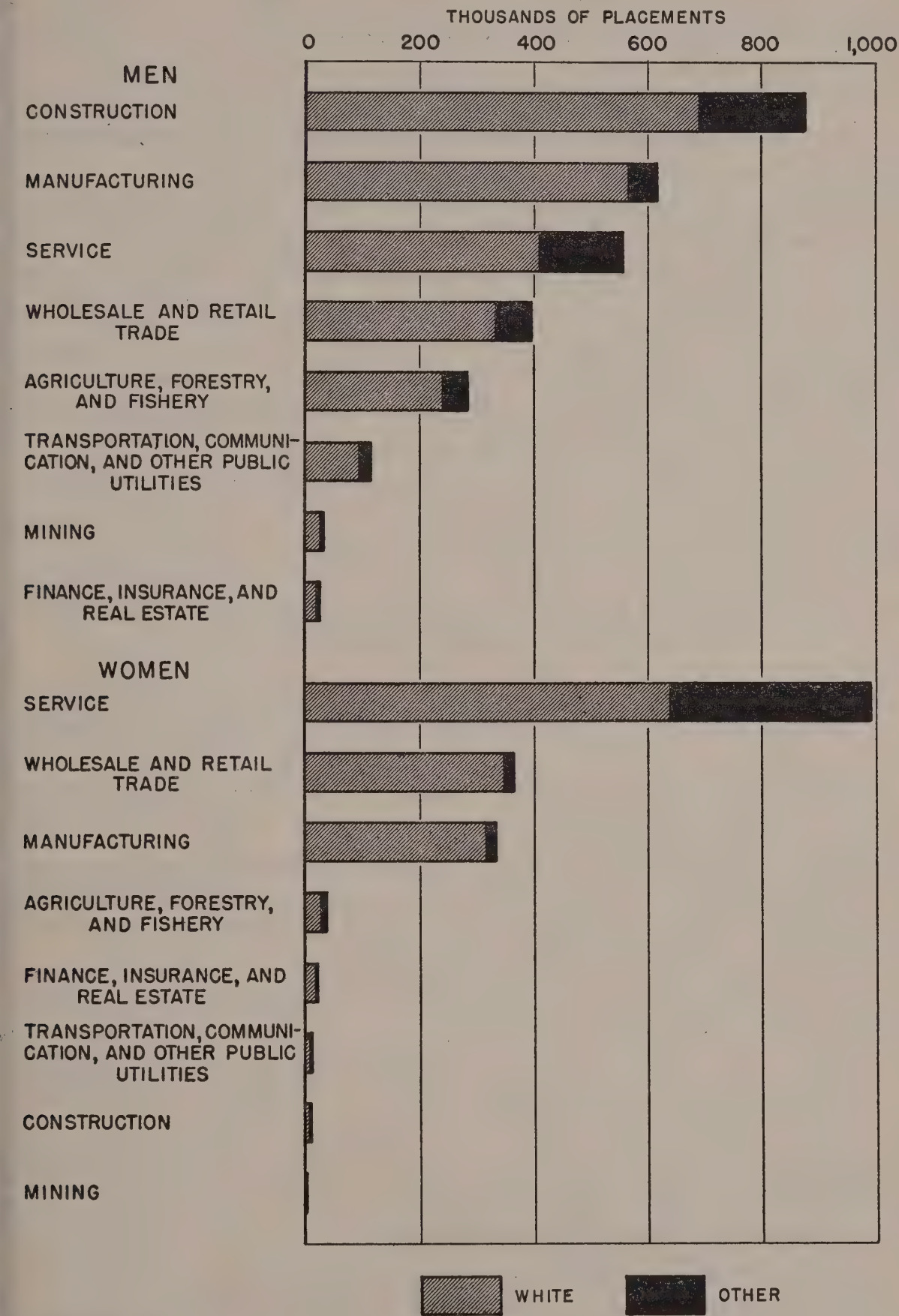
ing the fiscal year 4.6 million complete placements were made by the public employment offices, an increase of 31 percent over the total for the previous 12 months. Except for July and August 1940, placements in each month of the fiscal year exceeded all records for corresponding months since the beginning of 1937. Approximately 1.8 million different individuals were placed during the 6-month period January-June 1941, an increase of 60 percent from the number placed in the corresponding period of 1940. In addition, employment offices aided in making 1.6 million supplementary placements during the fiscal year by performing some but not all the steps through which jobs were obtained, mainly in connection with mass hirings of farm workers.

Of the complete placements, 62 percent were made for men and 38 percent for women, and 80 percent for white persons and 20 percent for other races; 19 percent were for workers under 21 years of age and 17 percent for those aged 45 or over. About 27 percent of the placements were in unskilled jobs; 11 and 10 percent, respectively, in semiskilled and skilled trades; and 1 percent in professional and managerial jobs. Manufacturing jobs represented 20 percent of the placements, construction 19 percent, and other industrial classifications 61 percent. Comparison with data reported for previous years by the Social Security Board and the Department of Labor reveals a marked growth in the extent to which the United States Employment Service is utilized by employers and workers in fields, especially among manufacturing industries, requiring trained and highly skilled personnel; formerly, expansion in placements was largely attributable to construction and service. Placements of men were most numerous in construction and manufacturing. More than one-half of all placements of women were made in the service industry; the number of women placed in manufacturing represented 19 percent of the total, as compared with 16 percent in the previous fiscal year.

Subsequent pages will outline the placement activities in connection with civilian jobs essential to national defense and the clearance techniques utilized to effect orderly transfers of workers from areas with available job seekers to those reporting shortages of workers with particular skills. Intensive efforts were made for the placement of special groups through the facilities maintained for war veterans, young persons, farm workers, Negroes, and handicapped persons.

It is estimated that 3.3 million more persons were at work at the end of June 1941 than at the beginning of the fiscal year, one of the largest gains in employment that has ever been recorded. The major part of this increase occurred in employment covered by State unemployment compensation laws.

Chart 17.—*Employment service: Complete placements, by industry division and by sex and race of worker, fiscal year 1940-41¹*



¹ See table C-5.

Covered Employment and Wages

At the beginning of the fiscal year 1940-41, it is estimated, some 33.5 million workers had acquired credits toward unemployment benefits under State unemployment compensation laws, though not all had accumulated rights sufficient to qualify for benefits. By June 1941, improved employment conditions had increased the number with such credits to an estimated 35 million, or approximately two-thirds of the Nation's 1940 labor force. Preliminary data for the calendar year 1940 indicate that \$32.4 billion—nearly 12 percent more than in 1939—was earned in covered employment in all 51 jurisdictions of the United States. Such wages, which in 1940 constituted about 68 percent of the estimated total of all wages and salaries paid, provide a measure of the extent to which workers have acquired potential rights toward benefits should they become unemployed. On the average, 23 million covered workers were employed in each month of 1940, as compared with 21 million in 1939. The more rapid tempo and wider ramifications of the defense program are revealed by expansion in manufacturing, with an increase of 10 percent in average monthly employment and 17 percent in total wages of covered workers.

Chart 18.—Unemployment compensation: Waiting-period and compensable continued claims received, weeks ended in January 1940-June 1941

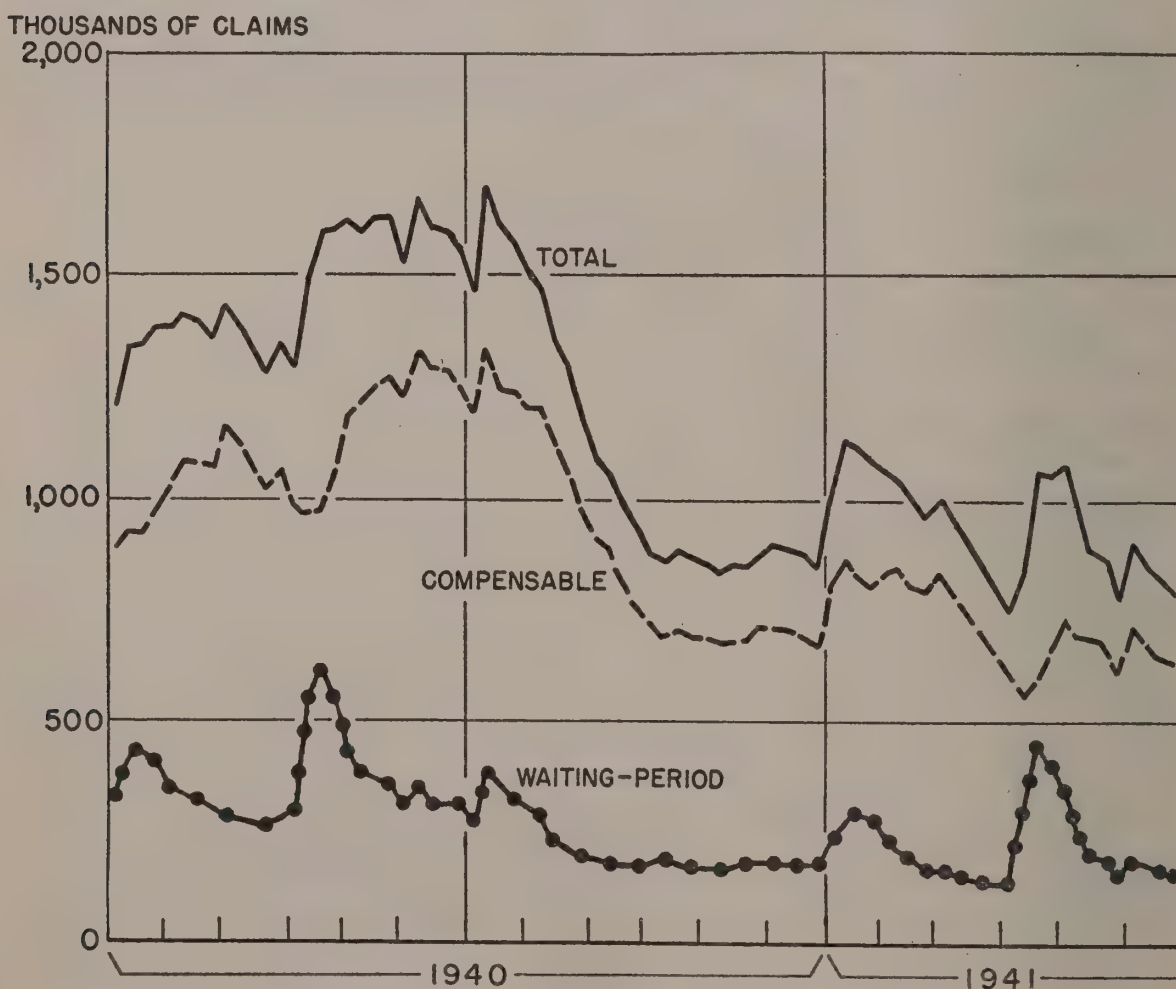
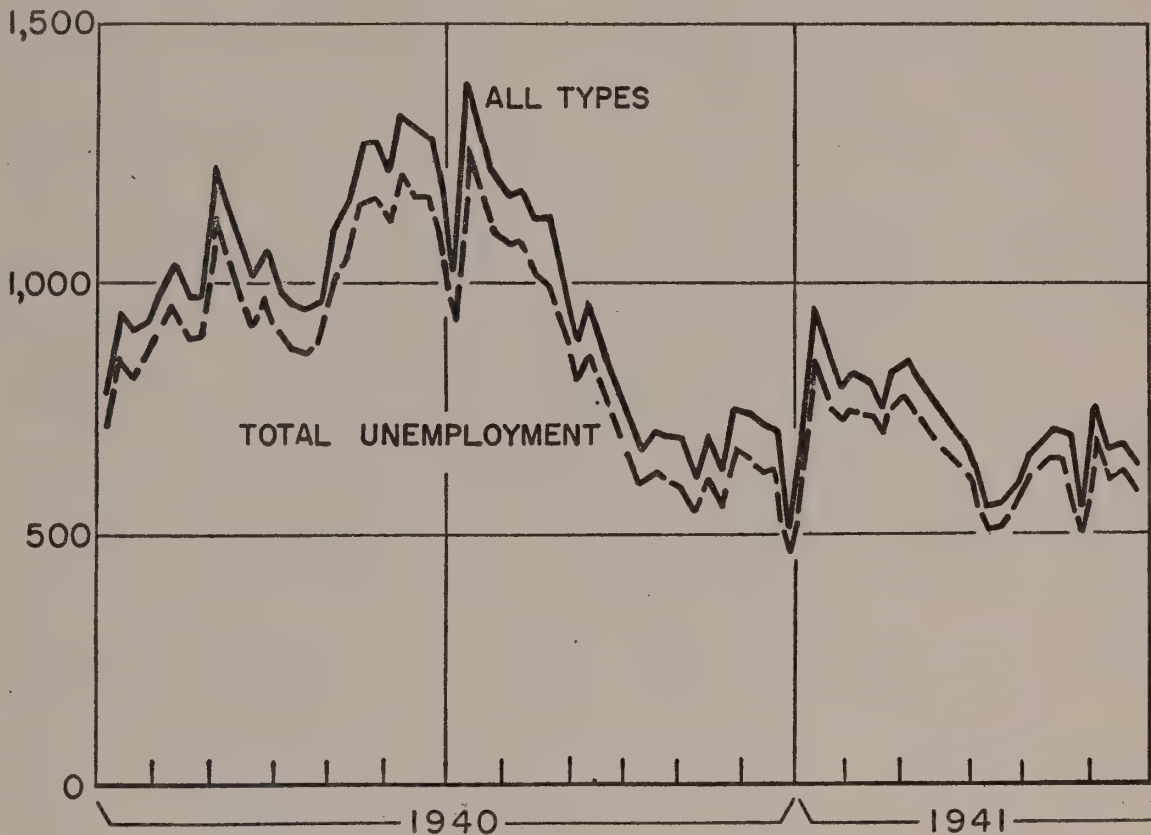


Chart 19.—*Unemployment compensation: Weeks of unemployment compensated, weeks ended in January 1940–June 1941*

THOUSANDS OF WEEKS



In construction, average monthly employment in 1940 was 10 percent above the figure for 1939, and wages of covered workers increased 15 percent. As of June 30, 1941, approximately 850,000 employers were liable for the payment of contributions under State unemployment compensation laws. The increase of approximately 40,000 employers over last year is largely attributable to the inclusion of firms which added a sufficient number of workers to their pay rolls or operated long enough to become subject to the unemployment compensation law of their State, rather than to changes in coverage provisions of State laws.

Unemployment Benefits and Beneficiaries

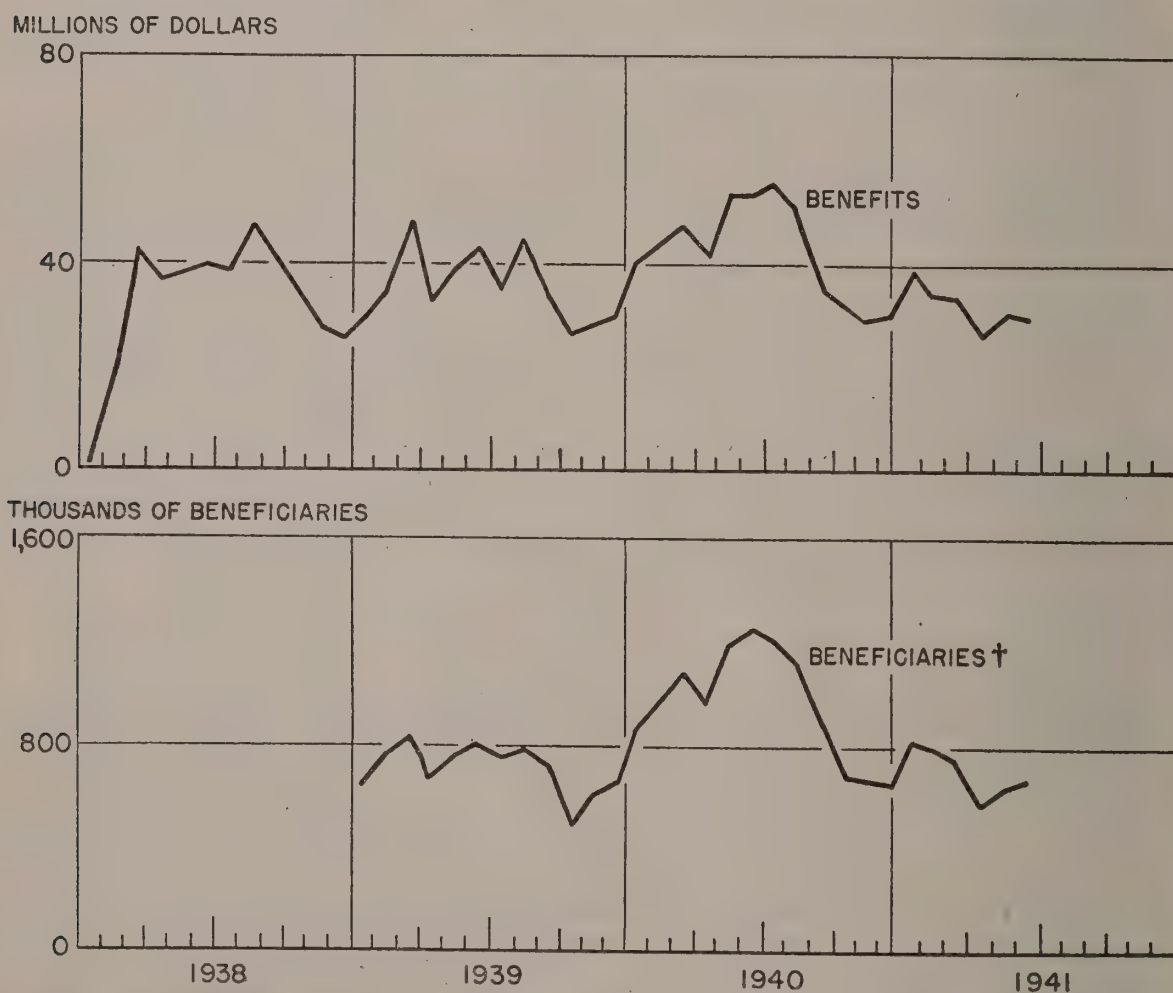
In spite of expanding employment opportunities and depletion of labor reserves in certain fields, there was a considerable volume of compensable unemployment during the fiscal year. State agencies made determinations on 5.8 million new claims for benefits, of which 4.8 million were allowed. Benefits totaling \$433.4 million compensated for 41.7 million weeks of unemployment. At least 3.9 million workers drew benefits for a week or more during the year, as contrasted with approximately 5.2 million workers in the previous year. The difference between new claims allowed and the estimated

number of workers drawing benefits at some time in the year represents the number of workers who got jobs before the expiration of the waiting period required by the State law.

During the fiscal year the average weekly payment for total unemployment was approximately \$11. It is estimated that the average duration of benefits was about 11 weeks per beneficiary and that approximately half of the beneficiaries exhausted their benefit rights before the end of their benefit years.

Differences among States in the volume and duration of compensable unemployment result in wide variations in the amounts of benefit payments. State disbursements are affected also by variations in length of waiting period, in types of disqualifications imposed on claimants, and in provisions with respect to benefit amounts and duration. As a result there are wide differences in the ratio of aggregate benefit payments to contributions. For the United States as a whole, benefit payments during the fiscal year represented 49 cents

Chart 20.—*Unemployment compensation: Total amount of benefits, January 1938–June 1941, and weekly average number of beneficiaries, January 1939–June 1941*¹

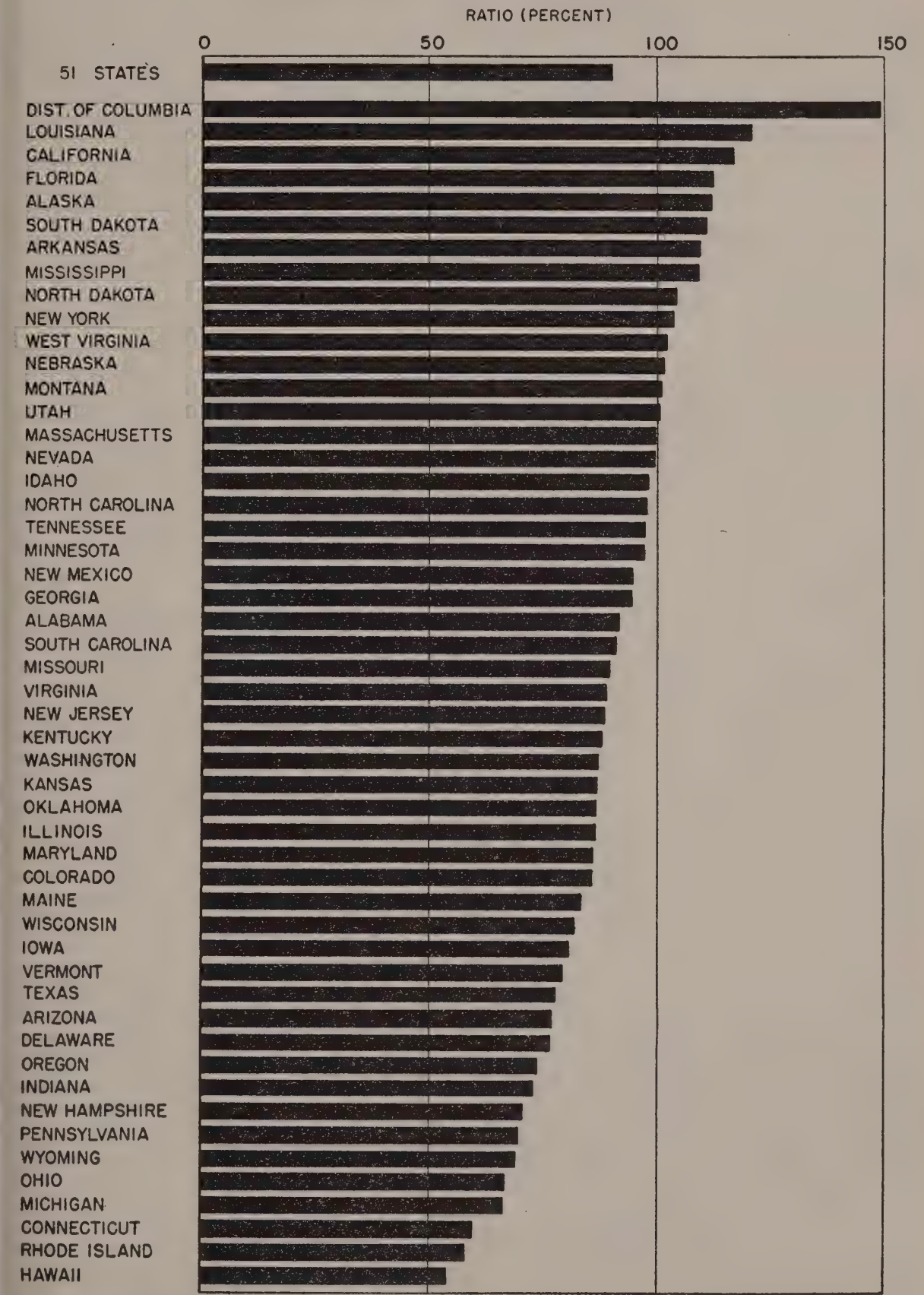


¹ Since beneficiaries are expressed as a weekly number while benefits are a total for the month, the 2 series cannot be used to compute average benefits.

†For 1939, number during midweek of month; for 1940–41, average of number in calendar weeks ended in month. Data for 1938 not available.

for each \$1 of current collections, but the rates for individual States ranged from about 10 cents to \$1.07 per \$1 of collections.

Chart 21.—Unemployment compensation: Ratio of benefits in fiscal year 1940-41 to benefits in fiscal year 1939-40, 51 States¹



¹ See also table C-13.

Funds available for benefits on June 30, 1941, in the Federal unemployment trust fund and in State clearing accounts and benefit-payment accounts totaled \$2,104.9 million, 23 percent more than at the same date of the previous year. At the close of the fiscal year the unemployment trust fund held \$2,091.3 million to the credit of State agencies. During the year, State deposits amounted to \$891.0 million; \$433.7 million was withdrawn by State agencies for benefits; interest totaling \$45.9 million was credited to State accounts; and \$104.1 million was transferred from State accounts to the railroad unemployment insurance account in the same fund. These transfers represented the remainders of amounts calculated on the basis of contributions collected in 48 States with respect to employment before July 1, 1939, which became subject as of that date to the Railroad Unemployment Insurance Act.

Federal Grants to States

The Federal Government not only bears the cost of administering State unemployment compensation programs but in addition matches State and local funds for the operation of the placement functions of State employment services. Collections under the Federal Unemployment Tax Act during the year amounted to \$100.1 million. These collections are not earmarked but are covered into the general fund of the Treasury. Federal grants to States for unemployment compensation administration are made from congressional appropriations from the general fund of the Treasury. Grants to States for the fiscal year amounted to \$65.7 million, of which \$62.5 million was certified to the Treasury for payment to States under the provisions of title III of the Social Security Act, and \$3.2 million for the Federal share of the costs of maintaining the Nation-wide United States Employment Service under the Wagner-Peyser Act. Under the matching provisions of the latter act, State and local funds amounting to \$3.3 million were made available during the year. The total administrative costs of the State employment security programs in the 48 States, Alaska, Hawaii, and the District of Columbia were \$68.7 million, as compared with \$65.6 million in the previous fiscal year. For both years these figures exclude part of the costs of maintaining the employment service of the District of Columbia, which are merged with administrative expenses of the Social Security Board.

Administrative and Fiscal Procedures

The responsibility of the Social Security Board for determining the compliance of State plans, statutes, and operations with the require-

ments of the Wagner-Peyser Act and the unemployment compensation provisions of the Social Security and Federal Unemployment Tax Acts requires joint Federal and State consideration of policies, principles, standards, and procedures for the operation of a Nationwide employment security program with due regard for variations in State industrial patterns and State laws. Unless the Board can certify to the Treasury at the close of each calendar year that a State unemployment compensation law is in conformity with the requirements of the Federal statutes, employers will not be allowed to deduct from their Federal unemployment tax amounts representing normal and additional credits for payments to State unemployment funds. Furthermore, the Board can certify Federal grants to meet necessary costs for the proper and efficient administration of the State unemployment compensation law only when the Board has approved the State law as in conformity with Federal legislation and is assured that continuing operation conforms with the approved provisions.

The consolidation of the placement and benefit-payment functions of the program at Federal, State, and local levels effected at the beginning of the previous fiscal year has facilitated approach to the program as a whole. Through central and regional mechanisms established by the Board for a two-way exchange of Federal and State experience and policies in technical, legal, fiscal, and economic fields, the Board formulates and makes available to the States policies and standards of administration to safeguard and improve unemployment insurance and employment service operations and to ensure conformity of State programs. Advisory services are made available to the States in connection with State legislation, merit standards for personnel, experience rating, reporting and internal operating procedures, and budget procedures, and through comparative analyses of benefit determinations, eligibility requirements, disqualifying conditions, and standards for the payment of benefits for partial unemployment under State unemployment compensation laws.

Merit-System Standards

The Social Security Act Amendments of 1939 gave statutory recognition to the need for merit standards for personnel as a means of assuring proper and efficient administration of State unemployment compensation programs, by requiring that, after January 1, 1940, Federal grants to States for administering these programs be conditioned on the operation of State merit systems. Since the Board had urged from the outset the adoption of merit standards and had rendered technical assistance to the States in this area, the statutory requirement caused no major change in current State practice.

Developments during the fiscal year, which are summarized in chapter V of this report, included consideration of the fiscal relationships between employment security agencies and State-wide or joint merit-system organizations serving other State departments. The Board has expressed its approval of the principle of a single State agency responsible for examination programs, personnel policies, and other aspects of personnel administration in at least all departments receiving Federal funds through Board certification, and has participated in efforts of the United States Public Health Service and the Federal Children's Bureau to develop standards applicable to all grants to States under the Social Security Act.

Organization and Internal Controls

In determining the costs of proper and efficient administration for individual State programs, it has been necessary for the Board to analyze the functions and organizational relations of advisory committees, executive officers, and service units to the program as a whole, and to render assistance to the States in connection with organizational problems and internal controls. With the cooperation of 32 State employment security agencies, studies have been conducted during the fiscal year to determine the unit costs of functions performed. These data have been used by the Board and the States to analyze costs, to examine possible duplication or misdirection of effort, and to simplify procedures. They have been used also in evaluating the effect of specific provisions of State laws on administrative costs, in developing performance standards for organizational or functional units common to all State agencies, and in answering specific questions, such as the relative costs and advantages of office equipment and machines.

Data derived from these studies prove valuable in the formulation and appraisal of State requests to the Board for grants under the Social Security Act and the Wagner-Peyser Act and, in turn, for information supplied by the Board to the Bureau of the Budget and to Congress in connection with Federal appropriations for grants to States for the employment security program. Development of administrative accounting standards, as well as records of personnel, pay rolls, equipment, and stock control, is in process. Manuals have been issued for the guidance of State agencies with respect to equipment control, and preliminary plans have been completed for collecting data which will aid State agencies in making semiannual budgetary requests on a basis which will show the agencies' needs by functions and activities. The complete functionalization of budgetary requests

will require extension of time and cost studies to all State and Territorial agencies, as well as the further analysis of the relationship of costs to varying activity loads.

Fiscal Standards

Marked progress has been achieved during the year in the operation of standards governing Federal-State fiscal relationships in the employment security program. By the close of the fiscal year the Board's standards with respect to travel expenses had been met through the adoption of adequate regulations and procedures by all State employment security agencies, and the Board's procurement standards, except for minor changes required in six States, were likewise in full effect. Satisfactory progress was also made in the adoption by State employment security agencies of salary and leave regulations, revised and implemented to make appropriate provision for employees inducted into the armed forces, and in adoption of standard lease forms. Through State use of these and similar standards, it has been possible for the Board to relax line-item budgetary control for many State agencies, without sacrifice of assurance that expenditures are limited to amounts necessary for proper and efficient administration.

In cooperation with the Post Office Department, procedures were established, pursuant to the special authorization contained in the Labor-Federal Security Appropriation Act, 1941, whereby postal service under arrangements formerly limited to State employment service offices was extended to State employment security agencies as a whole, with subsequent reimbursement by the Board to the Post Office Department. Under the procedures first effected, the State agencies maintained daily records of postal matter mailed, and on the basis of such records the Post Office Department was reimbursed periodically upon certification by the Board to the Secretary of the Treasury. The procedure thus adopted involved reviewing a total of approximately 40,000 daily reports each month and proved unduly cumbersome and costly. A revised procedure was agreed upon by the Board and the Postmaster General, effective July 1, 1941, to eliminate the daily reports of State agencies; periodic payments to the Post Office Department are to be estimated on the basis of exact tabulations for the period January 1 through June 30, 1941, adjusted in the light of fluctuations in such basic factors as number of initial claims, number of benefit checks issued, and number of placements. A considerable saving in administrative costs at both State and Federal levels should result from the elimination of the detailed daily records and monthly reports.

Fund Management

With the close cooperation of the Treasury Department, the major objectives of a plan for management of State unemployment funds were substantially achieved during the year ended June 30, 1941. Arrangements with the Treasury Department for the deposit of compensating bank balances to avoid service charges on State clearing accounts and benefit-payment accounts in local banks were mentioned in the Fifth Annual Report. These arrangements have been extended to both accounts for all State agencies through Treasury deposits of \$37.0 million during the year. The resultant savings in the administrative costs of the unemployment compensation program amounted to approximately \$1.0 million. These arrangements, moreover, make it possible to assure compliance with the requirements of the Social Security Act with regard to immediate deposit of unemployment compensation contributions in the unemployment trust fund, as well as with the requirements limiting withdrawals from the unemployment trust fund to amounts currently required for benefit payments. It is now feasible for States, without incurring service charges on bank accounts within the State, to withdraw funds for benefit payments in amounts sufficient for only a week's payments. Each State, therefore, can retain in the trust fund at interest a substantially larger balance than would otherwise be possible, and thousands of dollars of additional earnings accrue to the accounts of the States and are available for future benefit payments.

State laws and practices with respect to collateral security, bonding, and other protective measures were carefully analyzed, and steps were taken to assure conformity with the Board's standards with respect to such safeguards. By the close of the year, appropriate action had been taken by most States to establish separate bank accounts for the unemployment compensation funds, thus preventing commingling of such funds with other State moneys and providing for full collateral security maintained in separate custody accounts. Considerable progress was also made in connection with bond protection covering fund custodians. Recommendations were made to the States on legislative amendments necessary to meet Board standards and on other desirable administrative changes. Attention has been centered primarily on measures pertaining to the unemployment compensation fund in view of the requirements of the Social Security Act Amendments of 1939, effective July 1, 1941, with respect to State replacement of any administration fund moneys lost or improperly expended.

Reports are received each month by the Board and the Treasury Department from the State agencies and the banks handling State

accounts, showing daily financial transactions. These data must be currently reviewed to adjust the compensating bank balances from time to time on the basis of fluctuations in the volume of transactions handled by the banks, to assure the maintenance of maximum balances in the unemployment trust fund, and to minimize the danger of losses.

Budgetary Review

To coordinate and direct regional review and submission of State semiannual budgets, a system was instituted during the year to provide for advance review of the fiscal aspects of State operations and activities. After consideration of the latest available statistics on placements, claims, appeals, contribution reports, registrations, and other pertinent data, the operating and fiscal problems of each State are discussed with officials of the State agency. The State agency can thus proceed in the preparation of the semiannual budget estimates and make provision for desired changes and improvements in practices and procedures, reducing to a minimum the number of questions of major policy or practice which might arise at the time of the Board's budget review. On the basis of this exchange of information between regional representatives and State officials and the early statement of Board policies and objectives, all budget requests for the fiscal year were presented to the Board for consideration prior to the period for which such budgets were applicable, and in most cases budgets were approved prior to the beginning of the fiscal period for which grants were certified. This system operated successfully during the year and proved most advantageous to the State agencies, which thus were able to plan in advance on the basis of approved budgets and to make recommended adjustments without interrupting operations.

Mobilizing Labor for Defense

Nearly every policy adopted and every action taken by the Board in connection with the activities of the United States Employment Service were directed to one objective—recruiting workers needed by defense industries. Procedures were instituted or simplified and new working arrangements between Federal and State agencies devised to cope with the needs for labor. Federal recognition of the strategic position occupied by the United States Employment Service in matters concerning labor policy was evidenced by the National Defense Advisory Commission as early as September 1940 when, in connection with a statement on labor recruiting issued to all employers concerned with defense production, the Commission asked

that "as far as possible, the local employment offices or other agencies designated by the United States Employment Service should be utilized." In February 1941 the Office of Production Management informed all employers holding defense contracts that "no employer should attempt by any methods to recruit labor from outside his local area or engage in any advertising, local or otherwise, without first consulting with the local public employment office as to the necessity of such action and as to the methods to be employed." The purpose of these instructions was to effect an orderly recruitment of workers, since prospects of increasing shortages of skilled and semiskilled labor were imminent.

Vigorous steps had already been taken by the United States Employment Service to obtain needed workers. Shortly after the issuance of the first defense contract, the impact of the recruitment program began to be felt throughout the Nation-wide system of 1,500 full-time and 3,000 part-time local public employment offices which maintain free services for workers and employers. The Federal Civil Service Commission requested the United States Employment Service to assist in recruiting workers needed for the expansion of work in Government navy yards and arsenals. Representatives of the Board went to districts where the civil-service units were located and, in cooperation with the State employment service personnel, reviewed the work histories of thousands of workers already registered at those offices. The resulting referrals ran into the thousands and included many highly skilled workers, such as loftsmen, coppersmiths, machinists, ship fitters, and ship riggers. It was often found that applicants placed in these Government jobs had been engaged in work which did not utilize their skill in these occupations. By the close of the year, plans had been made for the designation by the Board of the 12 regional employment security representatives as regional labor-supply officers and their appointment by the labor-supply branch of the Office of Production Management to act as chairmen of 12 labor-supply committees established by that agency to integrate the defense work of various regional groups. These committees are expected to resolve locally many problems of Government and industry in connection with labor recruitment which might otherwise require central handling.

Determining Employer Needs

It was evident that a labor-recruitment program must be based upon detailed information on labor-market conditions. While much information was already available to the United States Employment Service, extension of the reporting program was required. In order to

determine more accurately the volume and character of the demand for labor, arrangements were made for monthly visits by representatives of the public employment offices to defense employers to obtain detailed schedules of labor needs over the coming 60-day period. Visits now are made every other month, and employers are furnishing 3-month forecasts of their labor requirements in addition to more detailed monthly estimates.

Supplementary information is furnished by each State agency in a monthly report to the Board on various aspects of the labor market which cannot be formulated quantitatively, such as the relation of supply to demand, changes in employer specifications, competition for labor, migration, and public and private facilities for training workers. The need for more detailed information on particular situations has led to intensive studies of the active labor market in various active local areas. These studies, made by the Board in cooperation with the State employment security agencies, provide long-range forecasts of employer labor needs and information on the adequacy of supply and the number of workers that will have to be brought into the area. By the end of the fiscal year, 175 surveys covering almost all major industrial or defense areas of the country had been made or were in process.

The reports on local labor markets have proved invaluable not only in connection with the day-to-day operations and advance planning of the employment services but also as a source of information for other defense agencies whose policies and programs depend upon labor-market conditions. Several Federal offices, including the Division of Defense Housing Coordination of the Office for Emergency Management, the Office of Production Management, the War Department, the Maritime Commission, and the Department of Agriculture, have utilized these data in appraising established or pending policy.

Ascertaining Available Skills

At the outset of the defense program the Board was able to make immediately available to the Office of Production Management the results of the annual inventory, taken in April 1940, of persons registered with the local public employment offices. The data proved valuable in resolving such questions as the location of plant sites and the adequacy of the supply of workers in communities where expansion was proposed. Ordinarily such information would have been representative of the labor market for months thereafter. With the acceleration of the defense program, however, the data obtained in the survey rapidly became obsolete. Provision was

therefore made in July 1940 for a monthly compilation of the number of workers available in a list of nearly 300 occupations deemed essential to defense industries. The list has been revised several times and expanded to include monthly compilations of the number of workers with specified skills in more than 600 skilled and semi-skilled occupations in the manufacture of defense products.

Since it is always possible that some workers with the desired skills are not registered at the public employment offices and that many employed workers are not using their most needed skills, an intensive registration campaign was undertaken during the period March 15–April 15, 1941. All unemployed workers were urged to register at local public employment offices if they were not already registered, and employed workers who had unused skills or experience in aircraft, shipbuilding, machine shops, ordnance works, and other types of industry were also urged to register voluntarily. This campaign resulted in the registration of nearly 1.5 million workers who had hitherto not used the employment offices, while nearly 2.0 million workers who had once been on record as job seekers came into the offices to renew their applications. An inventory of the persons actively seeking work who registered at the local offices between March 1 and April 26 disclosed that of 4.4 million workers approximately 4 million were available for referral to jobs. Of those available, approximately 200,000 were already employed but were willing to accept other employment, presumably at a higher skill. The 400,000 found to be unavailable for referral to jobs were those who were working and not interested in other jobs, those who were working at their primary skills, and those who were not physically or otherwise able to hold a job. Approximately 482,000 registrants were found to have skills essential to defense industries. A large number were construction workers; only 146,000 metal-trades workers, 6,200 aircraft workers, and 9,700 shipbuilding workers were available. It became evident that the supply fell far short of the anticipated defense needs for the latter half of 1941, to say nothing of 1942. Continued monthly correlation of information on labor supply with that furnished by defense employers on labor demand reveals the occupations where supplies are critically low and where special attention of the United States Employment Service is needed.

Training Workers

In anticipation of extensive demands for labor, Congress had enacted legislation in June 1940 providing for vocational training of workers for defense industries. One phase of this legislation, the pre-employment refresher training program, provided that at least

half the referrals to the courses may be made by the Work Projects Administration, insofar as possible, and the others by the United States Employment Service. Local offices therefore became responsible for selecting workers whose skills were rusty or whose aptitudes, previous experience, or training appeared to justify such training for defense jobs. During the fiscal year 1940-41 the employment service referred about 205,000 persons to defense vocational courses. Cooperative relationships between vocational schools and employment offices were formalized in March 1941, when the United States Office of Education and the Bureau of Employment Security of the Social Security Board arranged to include in the local advisory committees for the training program a representative of the employment office to act as a consultant to the schools in planning the training courses. This arrangement made it possible to gear training more closely to the actual and prospective labor demands in each community.

The Coordinator of Defense Training of the Federal Security Agency revised these procedures in June 1941 by establishing councils of State and local administrators, which include representatives of the United States Employment Service, the Office of Education, and the National Youth Administration and provide a basis for joint action on aspects of defense training which involve more than one of the constituent agencies. The employment service is responsible for recommending to the councils the occupations in which training is to be given, the numbers of workers to be trained, the selection and referral of persons enrolled, and the placement of workers trained, an arrangement which relates the training program to the industrial needs of communities. A list of occupations for vocational training courses for defense workers was prepared jointly by the Bureau of Employment Security and the Office of Education, approved by the Office of Production Management, and released to State agencies and vocational schools in June. This list is expected to facilitate more specific training in single skills.

In addition, public employment offices have helped to develop training within industry through the services of occupational specialists who have assisted defense employers in plans for upgrading workers and for plant training courses.

Classifying Occupations and Aptitudes

One of the major contributions to the defense program has been the activity of the United States Employment Service in defining and classifying jobs of American workers. Even prior to the defense program the importance of this work had been recognized as an aid to labor and industry. The years of research on job skills had culminated in a monumental Dictionary of Occupational Titles issued in

1940. Job analyses, made in cooperation with industrial engineers and technicians thoroughly familiar with industrial processes, establish clear-cut descriptions of the duties performed, the experience and training necessary, and other job specifications, and make it possible to separate complex industrial processes into simpler components or activities which can be performed by less skilled workers. Analyses have been made for areas in which labor shortages have appeared locally, in various local defense plants, including Government navy yards and arsenals, and for some of the largest corporations in the country, and have resulted in recommendations for more effective utilization of workers. This service has facilitated the employment of workers and often has obviated the need to obtain workers from other areas. It has increased the wages of workers who have proved their capacity for carrying on work at higher skills, has shortened the training period of those whose skills were rusty or obsolete, and has enabled the employment service to fill the specific requirements of employers.

Because of urgent requests from State agencies, the occupational or aptitude-testing service developed by the Bureau of Employment Security has been expanded rapidly during the fiscal year. There are now aptitude-testing facilities in 175 public employment offices, and trade tests are in use in 575 offices. These tests are utilized in selecting persons for training courses and inexperienced workers with promising aptitudes for defense jobs.

Clearance Procedures

With the inception of the defense program there was evident need for clearance of labor across State lines when local supplies of labor were inadequate. Such a procedure also reduces the volume of aimless migration that usually accompanies boom conditions in this country. Each Social Security Board region was designated as a unit for clearance of information on job openings and labor supply. Upon receipt of an employer order for workers not available locally, the local public employment office applies directly to other local offices within a short radius. If the needed workers cannot be obtained the order is forwarded to the central office of the State agency, which attempts to find the workers from other areas within the State. Should this attempt prove fruitless the order is referred to the clearance representative in the regional office of the Social Security Board, who routes it directly to the areas of other States in the region where there is some likelihood of obtaining the workers. If the job order cannot be filled, it is referred to Washington for clearance to other regions of the country. The effectiveness of this procedure has been

evident in the sharp expansion of placements made through clearance facilities. Nearly 79,000 inter-area placements were made in the first 6 months of 1941.

Regular Placement Services

To reflect the results of the transfer of the United States Employment Service to the Social Security Board, a comprehensive body of "Rules and Regulations under the Wagner-Peyser Act" was adopted in August 1940, including the former United States Employment Service rules and regulations and necessary revisions. The previous requirement that the operation of the employment service be under a full-time administrative officer was strengthened by the provision that he be directly responsible to the agency for all functions assigned to local employment offices, including claims activities. Important also are the regulations with respect to labor relations. The regulation requiring local employment offices to refrain from making referrals to vacancies resulting from labor disputes was adopted by the Board with necessary revision. In addition, the Board adopted regulations requiring employment offices to refrain from discrimination in referral because of union membership, and to refrain from referral to positions where the conditions of employment are contrary to law. Instructions to State agencies on the preparation and submittal of employment service plans were issued by the Board in September 1940. For the first time, a complete statement of the organization of the agency administering both the employment service and unemployment compensation activities is required as a part of the plan; an important change permits State agencies to submit a continuing plan and subsequent amendments, if necessary, instead of a plan for a stipulated period, as was previously required. Special emphasis has been placed on the review of sections of the State plan which deal with the administrative organization of State agencies and local employment offices, the areas served, and the type and extent of service rendered by local offices. When necessary, State agencies have been requested to make changes in organization and practice. By June 1941 new plans for all States had been approved by the Board as in conformity with the requirements of the Wagner-Peyser Act and reasonably appropriate and adequate to carry out its purposes.

To assist the States in the effective operation of employment offices, the Board makes available the services of a staff experienced in scientific organization and management. During the fiscal year 1940-41, surveys of employment service operations were made, at the request of the State, in Florida, Iowa, Maryland, Massachusetts, Michigan, Minnesota, Rhode Island, Washington, and West Virginia and were

begun in Louisiana and South Carolina. Analyses of operation or special assistance have been provided for several metropolitan centers in other States, including Chattanooga, Denver, Kansas City, New York City, Philadelphia, St. Louis, and Washington, D. C. Assistance on specific problems, related principally to premises and office lay-outs, has been extended to several States which have not yet requested a complete survey. Two recent surveys have involved detailed recommendations concerning the handling of claims for unemployment benefits. In all instances the recommendations of the Board have been accepted by the State agencies requesting surveys, and all but one State asked for technical assistance in putting the recommendations into effect.

Special Placement Services

Service for veterans.—The Veterans Placement Service continued to operate during the fiscal year with a representative in each State (and, in addition, an assistant representative in Illinois, New York, and Texas) who is responsible for general supervision of the employment interests of veterans registered in local offices of State employment services. As the Selective Training and Service Act removed thousands of young men from the labor force and as the defense program was accelerated, the value to employers of older workers became more apparent, and in some instances employers' rigid specifications with regard to age and disability were relaxed. In cooperation with the Veterans Administration, this service registered during the year all veterans in Civilian Conservation Corps camps, and the Office of Education furnished the occupational classifications of the men in the camps. As a result, many skilled workers were recruited from these groups for defense jobs or training for defense jobs. During the fiscal year veteran placements totaled 155,000, the largest number since the year ended June 30, 1938. There were only 213,000 veterans registered at public employment offices on June 30, 1941, 12 percent fewer than a year previously.

Farm placement service.—During the past fiscal year, placements of farm workers made by public employment offices reached a new high point in the history of the employment service. The 1.6 million such jobs filled represented about 27 percent of all placements made by the affiliated State employment services. From January through June 1941, the number of farm placements was 24 percent above that for the corresponding period of 1940. The increase indicates improvement in the organization for recruitment and referral of farm workers. At the Federal level, impetus has been given to State programs through agricultural surveys, assistance in setting up and developing

programs in States not as active as other States in serving agricultural needs, and suggestions for improvements in recruiting and referral practices. Cooperative agreements with the United States Department of Agriculture provide for assistance in gathering basic data and acquainting the agricultural population with the farm placement service through land-use committees which include employment service representatives. Because of the defense program and the upswing in industry the number of farm workers has been reduced, and efforts to meet the needs of agricultural employers call for close working arrangements between all State services.

Service for young persons.—During the fiscal year, the number of offices with specialized service for young persons increased from 324 to 522. On July 1, 1940, as a result of Federal legislation, nearly 100 junior counselors of the National Youth Administration operating in State employment offices became an integral part of State employment security administration. Placement of junior workers has increased markedly during the past 7 years and has been greatly accelerated by the opportunities for young persons in defense industries. A total of 880,000 placements of persons under 21 years of age during the fiscal year represented an increase of 269,000 from the previous year. Such placements increased from 17 percent of all placements to 19 percent.

Service for the physically handicapped.—There has been a growing acceptance on the part of State employment service and Bureau personnel of the responsibility of the employment service for placement of physically handicapped persons, particularly in activities connected with the defense program. The attitude of employers toward handicapped workers is undergoing a favorable change, and many are adopting more realistic physical standards. A handbook on placement of physically handicapped applicants through public employment offices was completed during the year by the staff of the Board. Conferences with State and local personnel were conducted in 10 regions to introduce discussion of proposed procedures and to assist the State agencies in developing services for physically handicapped applicants. In cooperation with occupational research centers in Detroit and Chicago, State employment security agency staffs are using the job-analysis technique in developing placement opportunities for the physically handicapped and in collecting information on physical requirements and working conditions for use in training personnel for interviewing and placement. There was a continuous increase in the placement of handicapped workers from 7,000 in July-September 1940 to 15,000 in April-June 1941.

A continuing conference on classification of physical impairments was established under the joint auspices of the Bureau of the Budget and the United States Public Health Service. This conference includes a representative of each Federal agency concerned with the problems of the physically handicapped. The group is engaged in a project to develop a standard nomenclature and classification of physical disabilities. A rehabilitation coordinating committee was also established, composed of representatives of bureaus of the Federal Security Agency and other Federal agencies, to develop a program for better coordination, especially at the point of service, of Federal, State, and local activities affecting the disabled. Three demonstration centers were established in Illinois, Indiana, and Wisconsin.

Special service for Negroes.—To assure that facilities of public employment offices are utilized most effectively in the placement of all racial groups of the population, technical studies were made in 12 States to analyze office procedures relative to the registration, classification, and referral of Negro job seekers. In these and 14 other States special efforts were made to deal with employment problems associated with racial discrimination on the part of employers. State conferences on Negro employment, conducted by the Board with the cooperation of the State agencies, were held in California, Delaware, Indiana, Michigan, and New Jersey. Ohio and Michigan have appointed Negro specialists to supervise and advise on the problems of Negro workers, and Massachusetts and Rhode Island have made appropriations for study of such problems. A special study of the availability of Negro labor in Chicago was made for the Office of Production Management; a compendium report on available data on the Negro labor market, based upon field visits by the Board's staff, was made for 44 cities; and special field services were rendered in connection with the employment of Negro workers in the aircraft industry. In response to this effort and to the increased demand for all types of labor under the defense program, placements of nonwhite workers, most of whom are Negroes, increased from 733,000 in the fiscal year 1939-40 to 918,000 in 1940-41, a volume higher than in any other year since the establishment of the employment service.

Relations with labor organizations.—Contacts have been maintained by the Board with the Labor Relations Section of the National Defense Advisory Commission and the Office of Production Management and with officials of the major labor organizations to effect maximum cooperation between local employment offices and union locals. In cooperation with a labor representative of the National Defense Commission, members of the Board's staff have assisted in obtaining the cooperation of employers and various quartermaster construction

offices, and 21 States were visited to aid in developing adequate labor relationships.

District of Columbia Employment Center.—As a part of its functions in the administration of the Wagner-Peyser Act, the Social Security Board assumed responsibility in July 1939 for all operations of the United States Employment Service for the District of Columbia. During the fiscal year nearly 58,000 jobs were filled by the District Employment Center, as compared with about 42,000 during the preceding 12-month period. A gain of 74 percent in placements in the commercial and professional field was the highest percentage increase; industrial and building-trades placements were up 37 percent; hotel and restaurant placements, 36 percent; and domestic and service placements, 28 percent. New applications filed with the Center during the past fiscal year totaled 51,503, an increase of nearly 12 percent from the preceding year. The active file as of June 30, 1941, contained 23,568 registrants, a decrease of 39 percent. In July 1940 it became necessary to establish a separate clearance section in this Center to recruit, throughout the country, various types of workers needed in connection with the national defense program. Job orders were received from the Departments of War, Navy, Interior, and Labor, and from the Civil Service Commission and other Government agencies, as well as from private employers. Many of these orders were for skilled men needed for defense construction and maintenance work in distant places, such as Puerto Rico, Panama, and the Hawaiian Islands. About 800 placements were made through this clearance service during the year.

Compensating Unemployed Workers

The Social Security Board, in fulfilling its responsibilities under the Social Security Act for assurance that Federal grants to States for administration of unemployment compensation laws are furthering sound and effective programs, is concerned with the legislative framework and administrative efficiency of the 51 diverse State programs. It devolves upon the Board to establish certain minimum standards with respect to the requirements of the Federal legislation and to render legislative and administrative assistance to States in order that these minimum standards and the higher standards set by some States may be met within the scope and purpose of the State laws.

The initial years of operation have demonstrated the value of the underlying principles of the unemployment compensation program established under the Social Security Act. Its importance will con-

tinue to be evident in the current shift of American industry from the production of goods for civilian consumers to the task of arming for defense. As workers are thrown out of their customary jobs while machine tools are awaited, new equipment installed, and materials obtained, the majority can qualify for weekly payments based on their rights to unemployment benefits under State laws. Experience in the operation of State unemployment compensation laws has revealed, however, certain gaps in coverage and wide differences in State benefit provisions, and has raised questions concerning the adequacy of benefit payments and the ability of some States to finance their systems in periods of prolonged or widespread unemployment.

With the increased mobility of labor in the defense program, it is clear that State differences in unemployment compensation will result in increasing hardships to workers. Construction workers employed by private firms for brief periods in emergency work on cantonments, air bases, or expansion of plant facilities may shift to work in another State before they can acquire sufficient credits under any State law to entitle them to benefits when there is a gap between jobs. Employer reporting burdens and State administrative costs are needlessly increased by differences in the coverage provisions of State laws, the Federal Unemployment Tax Act, and the Federal Insurance Contributions Act. Such differences entail particular difficulties to employers who maintain establishments in more than one State. Maritime workers, civilian workers in the Government services, and workers called to serve in the armed forces of the United States are among those who may need the protection of unemployment insurance when the defense emergency subsidies. The services performed by many such workers are outside the jurisdiction of State laws, and Federal action may be their only source of protection. Although 37 States have recently enacted amendments to preserve, during the period of military service under the Selective Training and Service Act, the credits acquired by workers covered under their laws prior to entry into such service, the legislatures of 7 of the remaining jurisdictions have adjourned without taking similar action and will hold no regular legislative session until 1943. These and other restrictions and limitations of the program subject American workers to conditions which are incompatible with accepted Nation-wide standards of equity and the rights of individuals.

Insurance Coverage

It has been the consistent policy of the Board to encourage the extension of coverage under State laws as rapidly as it becomes administratively feasible to bring additional types of employment under

protection. Even at a time like the present, during the course of a year only about two-thirds of the workers in the labor force of the country have employment covered by the State unemployment compensation laws or by the Federal Railroad Unemployment Insurance Act. About 44 percent of the labor force is in 24 States in which the State law limits protection to workers in firms which have at least 8 employees during a specified number of weeks in the year; Alaska also has this limitation. During the fiscal year, only 11 jurisdictions covered industrial and commercial workers without regard to size of establishment. Size-of-firm restrictions under State laws result in the exclusion from unemployment insurance protection of from 2 to 3 million jobs which are within the coverage of old-age and survivors insurance. The tendency, evident in State legislation in 1939, to include firms with 1 or more workers has not continued, for only 1 State removed size-of-firm restrictions in recent legislative sessions. Furthermore, most States adopted the restrictions incorporated in the Federal Unemployment Tax Act as a part of the Social Security Act Amendments of 1939, by specifically excepting from coverage certain types of employment on the border line between agricultural and commercial enterprise, between private and commercial domestic service, and between services remunerated on a commission and a salary basis. At the same time, however, the amended definition of Federal instrumentalities resulted in the extension of coverage to some enterprises, such as national banks.

Benefit Provisions

Of even greater importance from the national standpoint are State variations in provisions relating to benefit eligibility, disqualification from benefits, waiting periods, and the amount and duration of benefit payments. Many of these differences are created by administrative considerations rather than by the adaptation of the State system to the industrial structure of the State. As a result, the risks of unemployment are not equally covered by all States.

In many States eligibility conditions are such that many workers with meager past earnings cannot qualify for benefits, or qualify for only small weekly amounts and only a few weeks of benefits which may impede receipt of more nearly adequate subsistence payments under other programs for persons in need. In one State, in the half year following the adoption of a new qualifying requirement more than 41 percent of the workers who claimed benefits were declared ineligible. Variations in the disqualification provisions under State laws and in their interpretation may result in loss of varying amounts of wage credits or the disallowance of benefits for longer or shorter

periods in some States, while in other States benefits may be allowed in almost identical situations.

The Board has urged that a single week is a sufficient waiting period in which to establish eligibility and determine benefits. With a 1-week waiting period, with benefits payable at the end of the first compensable week of unemployment, and with some unavoidable administrative lag in certain cases, at least 2 weeks and sometimes more must elapse before an eligible worker receives compensation for his first period of unemployment in a benefit year. For the country as a whole, 8 percent of intrastate payments and 28 percent of interstate payments were not made until more than 2 weeks after the end of the first compensable week of total unemployment. In some States 3 percent of intrastate payments were not made until 6 weeks or more had elapsed, and for interstate benefits delays of this magnitude were reported for 9 and 10 percent of the payments in two States. Although the time lapse for second and subsequent payments was substantially less than for first payments, it was sufficient, particularly in interstate operations, to create hardships for some workers. Many State agencies have been aware of the severity of long waiting periods, and, with the assistance of legislative and administrative consultants of the Board, steps have been taken for widespread reduction in this requirement. Effective after the close of the fiscal year, only 4 States will require a 3-week waiting period, 26 will require 2 weeks, and 21 no more than a single week. During the fiscal year 1940-41, 6 States imposed a waiting period of 3 weeks, 33 required 2 weeks, and only 12 required 1 week.

The intent of most unemployment compensation laws here and in foreign countries is to provide periodic benefits, up to a specified maximum, which will represent approximately half the worker's customary full-time weekly wages. In five jurisdictions, however, weekly benefit amounts are related not to weekly wages but to the claimant's total annual earnings, a formula which fails to relate benefits to usual weekly wages, reflects periods of unemployment as well as employment, and results in very low weekly payments to many individuals. During the fiscal year 1940-41 as much as \$15 a week was paid for only about 29 percent of the weeks of total unemployment compensated under State laws, and in some cases such weekly payments were as low as \$2 and \$3—amounts which involve costs of administration all out of proportion to their significance to the unemployed worker and his family. Under the 51 laws, actual benefit amounts for total unemployment during April-June 1941 were less than \$10 a week for nearly 40 percent of the payments, and in 12 States 75 percent of the payments were for less than \$10. The Board and State

administrators have been aware that weekly benefit amounts far below the level necessary for the maintenance of a reasonable living standard have been paid in many States; 21 States have recently liberalized provisions for weekly benefit rates and maximum duration. Effective after the close of the fiscal year, in only 13 jurisdictions is the minimum weekly payment for total unemployment to be less than \$5; maximum weekly benefits will exceed \$15 under the laws of 19 States and will be as high as \$18 in 9 States and \$20 in 3.

To achieve the purpose of unemployment compensation legislation, benefits should be payable for a time sufficient to tide workers over normal plant lay-offs or other brief involuntary interruptions in unemployment. Only 11 States pay benefits for more than 16 weeks in a benefit year, and most laws relate duration to a worker's previous taxable wages in such fashion that the less his earnings in the base period used in the computation of benefit rights the shorter the duration of payments. The fact that during the fiscal year about half the beneficiaries under State laws exhausted their rights to benefits indicates that the program as a whole is not geared to the pattern of unemployment actually experienced by American workers even in a period of pronounced industrial activity. There were wide differences among individual States in the proportion of cases in which benefit rights were exhausted, with a range from 82 percent to 24 percent.

Chart 22.—Unemployment compensation: Percentage distribution of weeks of total unemployment compensated, by amount of benefit check, April–June 1941

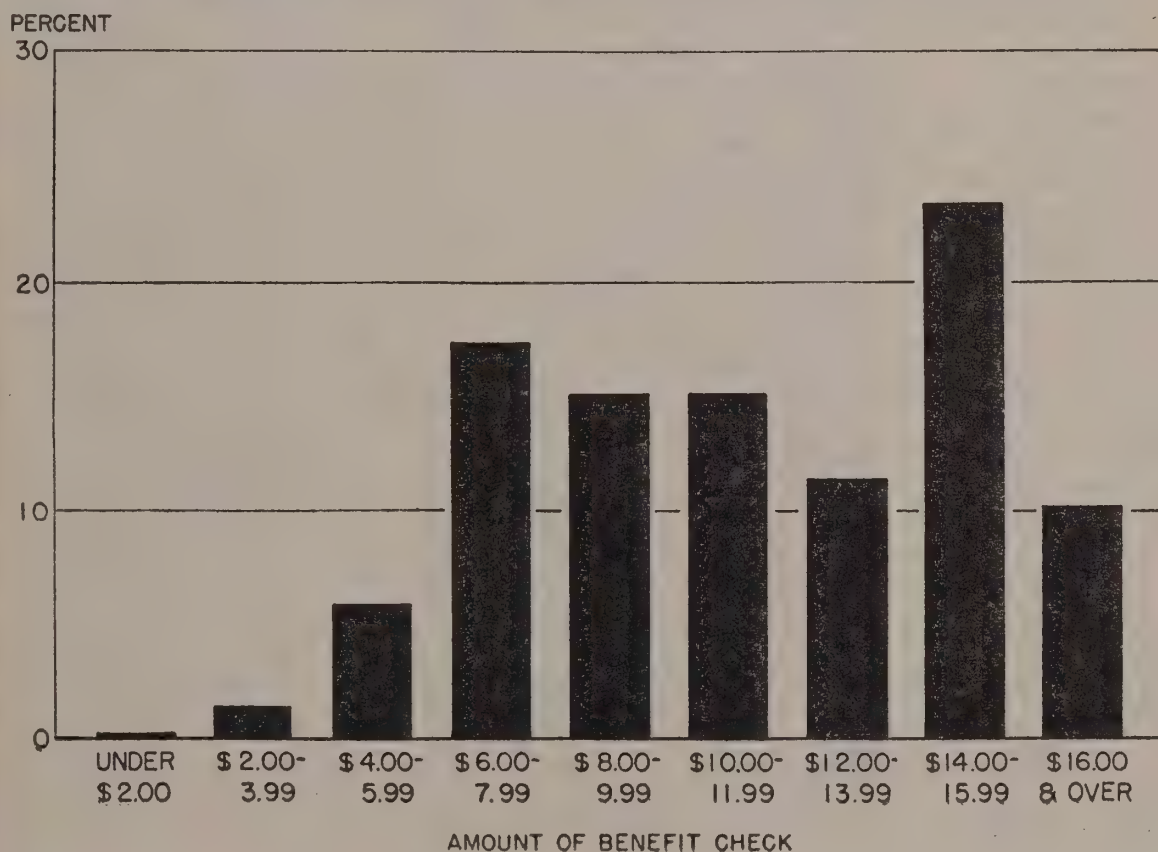
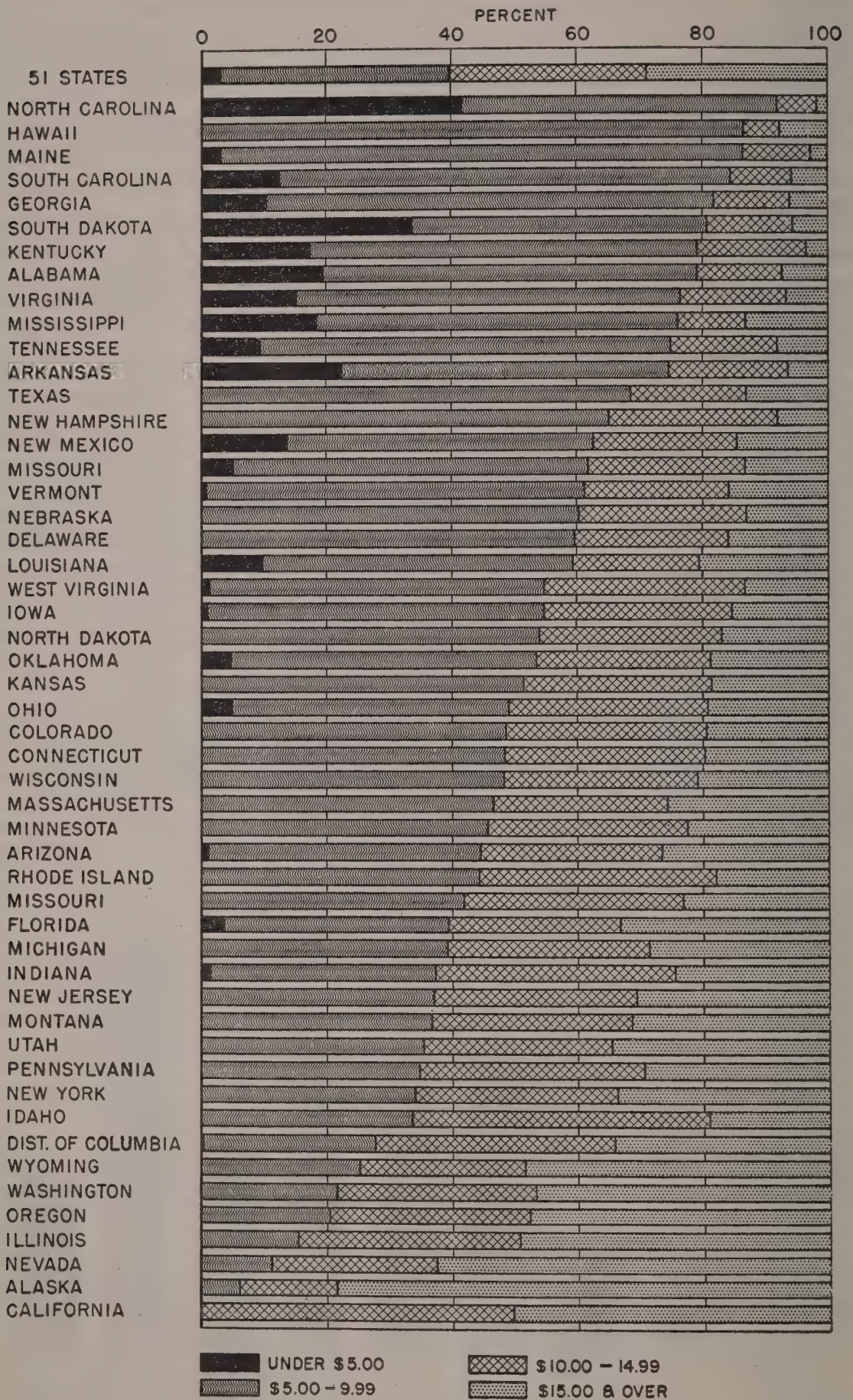


Chart 23.—Unemployment compensation: Percentage distribution of weeks of total unemployment compensated, by amount of benefit check, 51 States, April–June 1941 ¹



¹ See table C-12.

The Board has maintained that the exclusion of underemployed workers from the protection of the unemployment compensation program tends to defeat a basic purpose of the Federal and State legislation. At present, 3 States—New York, Pennsylvania, and Montana, which have 24 percent of the coverage of all 51 systems—make no provision for benefit payments to workers whose earnings are reduced by reason of short-time work.

In several States, moreover, procedures have been inadequate to assure reasonably prompt payment of benefits for partial unemployment. The Board's minimum standards for the payment of such benefits, adopted late in 1937, needed revision in the light of State agency experience. Comprehensive analysis, including field studies in 10 States and interviews with employers, formed the basis for the revised minimum standards issued by the Board in February 1941. The standards were designed primarily to ensure payment of benefits for partial unemployment when due and to prevent illegal payments. They provide for clear distinction between partial unemployment, which refers to the underemployment of persons working less than their normal full-time hours for their regular employers, and part-total unemployment, which represents the underemployment of persons who are not regularly working for a specific employer but obtain odd jobs or other forms of work. They also require adequate informational programs to acquaint workers with their rights, employer participation in the initiation and verification of claims, retroactive filing of claims, and maintenance of records by employers to facilitate administration.

Interstate Benefit Payments

Since many workers become unemployed in States other than those in which they acquire rights to benefits, an interstate benefit-payment plan was formulated and became operative in 1938. This plan provides a method whereby an individual may file a claim at the nearest local employment office against any jurisdiction in which he has accumulated rights to benefits. The State in which the claim is filed merely acts as agent for the State which is liable for making payment; all decisions as to eligibility for, and amount of, benefits are made by the liable State. Largely because of the increase in migration of labor growing out of the defense program, the ratio of the amount paid on interstate claims to total benefit payments increased from 4 percent in July 1940 to almost 6 percent in June 1941, although the actual number of weeks compensated on interstate claims declined from about 190,000 in July 1940 to 154,000 in June 1941. An estimated 205,000 workers received interstate benefit

payments during the year. All 48 States, Alaska, Hawaii, and the District of Columbia participated in the interstate benefit-payment plan throughout the fiscal year. At the request of the Canadian Government, representatives of the Social Security Board conferred with Canadian officials with a view to effecting a basis for avoiding duplication of coverage between the Canadian system of unemployment insurance and that of the States for workers whose employment involves movement across the border, and for the possible extension of the existing interstate benefit-payment plan to the Canadian system.

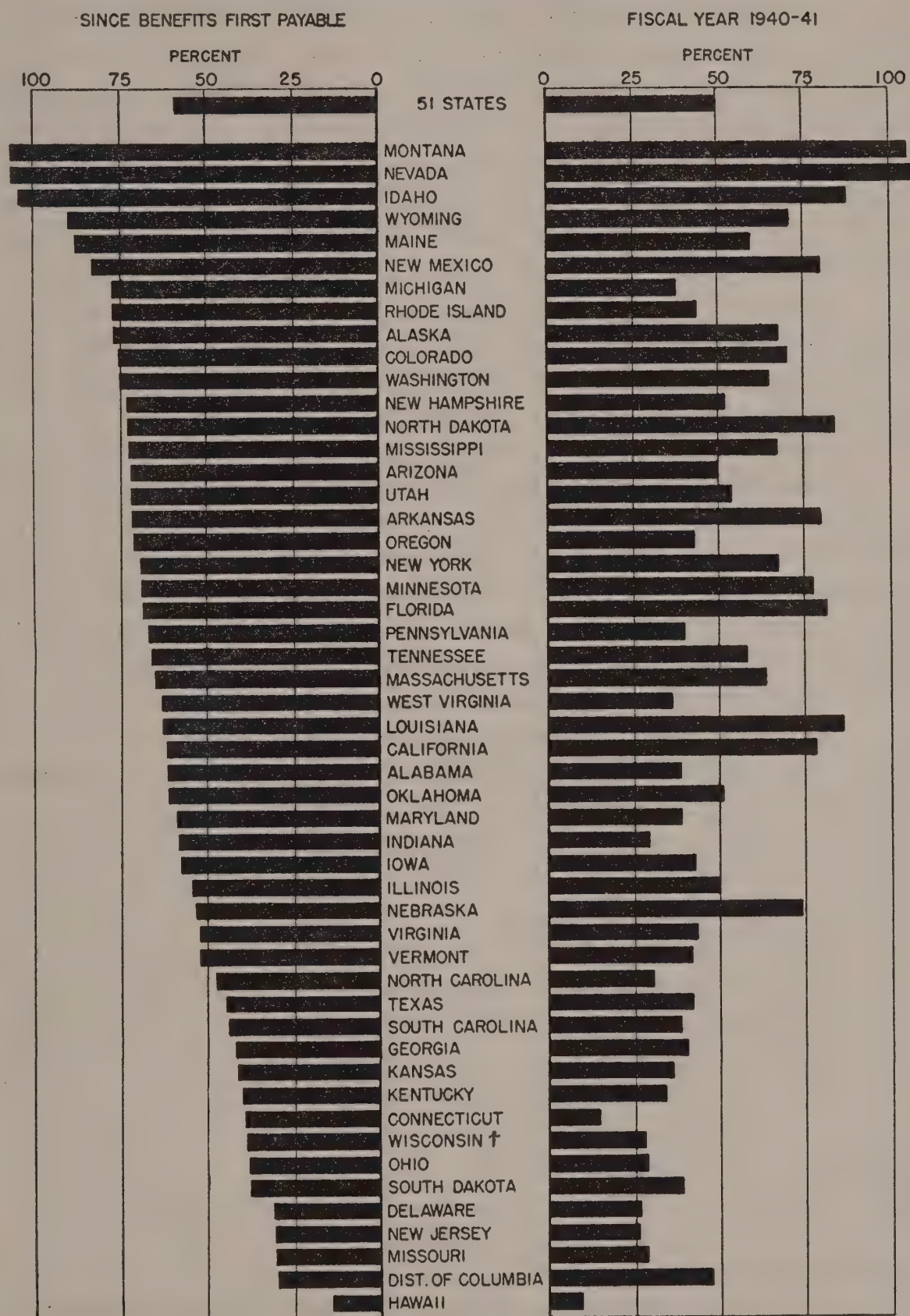
During the fiscal year, procedures for interstate benefit payments which had been adopted previously by all State employment security agencies were revised somewhat on the basis of experience and suggestions made by the States. Most of these revisions were concerned with improving procedures for taking interstate claims by providing the liable State with data sufficient to permit determinations without requesting additional information. Problems have arisen in determining the availability for work of a claimant who has left the State or is in travel status, and the suitability of the work when a claimant who has left the State is offered his old job. There was some tendency among the States to attempt by new legislation or administrative ruling to disqualify, for various periods, claimants who left the State.

The problems of workers who acquire wage credits under the laws of two or more States are being studied by the Board and the Interstate Conference of Employment Security Agencies. Many such workers fail to qualify for benefits under the law of any one State, and many suffer reduction in potential benefit rights because of inability to use wage credits acquired in some State in which they have been employed. State laws show such wide diversity in their provisions for relating benefits to a worker's wages in covered employment that it has thus far been impossible to devise a system which will permit cumulating a worker's wage credits in several States into an aggregate which will entitle him to some usable credits based on covered employment in each State.

Relation of Benefits to Collections

For the United States as a whole, benefit payments during the fiscal year represented 49 cents for each \$1 of collections during the period, ranging from 10 cents in one State to \$1.07 in the State with the highest ratio. Similar figures for the preceding fiscal year were an average of 57 cents in benefits for each \$1 collected in all juris-

Chart 24.—*Unemployment compensation: Benefits paid as percent of collections, fiscal year 1940-41 and since benefits first payable, 51 States¹*



¹ See also table C-13. Date at which benefits first payable varies among States.

† Ratio since benefits first payable based on collections and benefits paid beginning Jan. 1, 1938, since data for earlier period not comparable with initial period of benefit payments in other States.

dictions, ranging from 19 cents to \$1.16 for the States with lowest and highest ratios. During the fiscal year, benefits represented less than one-fourth of collections in Connecticut and Hawaii; in 7 other States—Delaware, Indiana, Missouri, New Jersey, North Carolina, Ohio, and Wisconsin—these payments were less than one-third of collections; and in 15 States—Alaska, Arkansas, California, Colorado, Florida, Idaho, Louisiana, Minnesota, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, and Wyoming—the amount expended for benefits was more than two-thirds of the amount collected. Benefits exceeded contributions during the year in Montana and Nevada. In these 2 States and Idaho, total collections since benefits were first payable have been insufficient to meet the obligations incurred for benefit payments, and initial reserves, accumulated before benefits could be paid under the State laws, have been drawn upon to finance these obligations.

The Board believes that liberalization of benefit provisions with respect to the weekly amounts and duration of benefits is a first essential in strengthening the unemployment compensation program. Until all States meet the benefit scales of the few more progressive jurisdictions and pay benefits sufficient in amount and duration to tide the majority of covered workers over spells of involuntary unemployment in relatively prosperous periods, the system as a whole will not adequately fulfill the intent of Federal or State laws. The reserves accumulated by many States indicate that such liberalization is feasible, but it is also clear that some States cannot finance an adequate program without assistance in meeting the costs of benefit payments. Some modification of the existing program is needed to equalize State burdens if benefit standards are to be more nearly adequate throughout the country even in periods of accelerated employment. Moreover, it must be recognized that the growing unemployment trust fund represents future obligations to millions of workers who have entered covered employment under the defense program and reflects a great increase in the volume of wages in covered employment and hence in potential benefit rights. The termination of emergency defense activities may result in unemployment more disrupting than that of the early 1930's unless the unemployment compensation program can help to bridge the transition to peacetime operations.

Experience Rating

Under the present system of financing unemployment benefits, a Federal tax of 3 percent is levied on the pay rolls of employers and a credit up to 90 percent of this Federal tax is allowed employers for contributions paid under a State unemployment compensation law.

This provision normally results in a 2.7-percent pay-roll tax under the State systems, a rate which was considered sufficient to finance limited benefit payments. In addition, the Federal act contains special provisions for an additional credit allowance under which employers may receive the full 90-percent credit against the Federal tax even though their contribution rates under the State systems are less than the normal 2.7 percent, provided the State law is certified by the Board as permitting such lower rates only in accordance with certain conditions set forth in section 1602 of the Internal Revenue Code and intended to reflect an employer's achievement in stabilizing employment. This section has come to be known as the experience-rating provisions.

Because of the lack of adequate data, the benefit structures originally adopted by State legislatures were markedly conservative, with the result that some States have built up large reserves under the 2.7-percent contribution rate. Instead of serving as justification for more liberal benefit provisions, the existence of such reserves has given rise to pressure for including or amending experience-rating provisions in State laws which permit employers to pay contributions to the State fund at substantially reduced rates. As of the end of the fiscal year, all but 13 States had provisions for use or specific study of experience-rating provisions. During the year, existing experience-rating provisions were repealed by 3 State legislatures and adopted for the first time by 1; the effective date for the operation of these provisions was postponed in 3 States and advanced in 1 State. Wide variations in the rate reduction allowed under State experience-rating systems tend to introduce disparities in tax levies on employers in different States which the original Federal act was intended to prevent.

For the calendar year 1940, reduced rates of contributions under experience-rating provisions of State laws were effective in four States—Indiana, Nebraska, South Dakota, and Wisconsin. All these laws were certified to the Secretary of the Treasury at the close of December 1940 as having allowed reduced rates in accordance with the conditions for additional credit allowance. In accordance with section 1602 (b) (3) of the Internal Revenue Code, the unemployment compensation laws of these and additional States were submitted to the Board and certified to the State agencies as permitting reduced rates only in accordance with the requirements of the Federal statute, thus giving the States assurance of the compliance of their experience-rating provisions with the applicable Federal requirements in advance of the allowance of reduced rates of contributions under such experience-rating provisions for 1941.

Federal requirements affecting experience-rating provisions in States having pooled funds were interpreted and explained in standards issued by the Board in July 1940. The Board declared that State statutory provisions for reduced rates of contributions must afford reasonable assurance that the benefits provided in the State law can be financed over a reasonable period of time and that any experience-rating plan must be designed, through variation of rates, to promote stability of employment and/or a fair allocation of the cost of unemployment compensation. Also, since unemployment compensation legislation insures workers against the risks of unemployment, the employer's experience with respect to these hazards can be measured only by the unemployment of workers who are or have been employed by him.

Administrative Costs

Costs of administering State unemployment compensation programs are met from grants to States under title III of the Social Security Act. A large part of such costs is incurred in connection with the maintenance of State and local employment offices, where claims for benefits are filed and information is obtained to determine benefit rights and verify the claimant's continuing eligibility. Other activities of the employment offices are financed in part from Federal funds certified by the Social Security Board under the provisions of the Wagner-Peyser Act. The dual system of Federal participation in what is essentially a Nation-wide chain of State and local offices concerned with placements requires unnecessary distinctions in accounting for services and functions performed pursuant to each of the two Federal statutes. It is believed that appropriate changes should be made to eliminate the need for dual arrangements.

Relation to Other Programs

Integration of the unemployment compensation program as a whole with other Federal measures for economic and social security requires consideration by the Board of many areas of contact of State programs with other programs under the Social Security Act, with those administered by the Railroad Retirement Board, with Federal work projects, and with other Federal activities.

Old-age and survivors insurance.—Considerable attention was given during the year to various possible methods of coordinating employer wage reporting under the old-age and survivors insurance and unemployment compensation programs. Studies have been made of the possibility of enabling employers to prepare quarterly wage reports for

State unemployment compensation purposes as carbon copies of the quarterly tax returns filed under the Federal Insurance Contributions Act. The possibility of using a single wage report and a single record-keeping agency for both the old-age and survivors insurance and unemployment compensation programs has been investigated. Variations among State and Federal laws, however, create many impediments to coordinated wage reporting. Significant differences in legislation have been analyzed to determine the nature and extent of changes in Federal and State laws which would be necessary to coordination of these two insurance programs. It is apparent that one important step toward coordination could be effected if coverage, employment, and wage definitions of the Federal Unemployment Tax Act were identical with those of the Federal Insurance Contributions Act.

Railroad unemployment insurance.—Questions of coverage as between the Railroad Unemployment Insurance Act and State unemployment compensation laws have continued to need attention. To protect both claimants and unemployment insurance funds, several of these questions have been solved temporarily by reimbursement arrangements between the States concerned and the Railroad Retirement Board. Legislation may be required, however, to clarify the coverage of the Railroad Unemployment Insurance Act in border-line cases.

Before the close of the fiscal year the Social Security Board had determined all amounts to be transferred from State accounts in the unemployment trust fund to the railroad unemployment insurance account in accordance with the provisions of the Railroad Unemployment Insurance Act. The transfers, which amounted to a total of \$105.9 million by the end of the fiscal year, were completed for all but one State, for which only a partial transfer could be made because the State supreme court held unconstitutional legislation which authorized the transfer of amounts based on employee contributions.

Work Projects Administration.—Most of the difficulties which have arisen in connection with furnishing information concerning the benefit rights of applicants for WPA employment have been resolved. Complete answers have not yet been found for two problems: an individual's deferment for WPA employment because of his eligibility for very small benefit amounts, and the question whether an individual is eligible for waiting-period credit while he is engaged in work-project employment. The former problem was met in some measure by the gradual adoption by the States of legislation providing for minimum weekly benefit amounts, and by the action of the WPA in permitting, on a State-by-State basis, applicants eligible for benefits of less than a

stipulated amount to receive work-project employment, if otherwise eligible, in weeks for which they are not receiving such benefits. In view of the small amounts of the minimum benefits in many States and the small benefit amounts stipulated by the WPA, hardships continue to arise and indicate the need for further consideration of the relationships of these two programs.

National Youth Administration.—The NYA work-experience program calls for full-time employment of students for approximately half of each month. Questions have arisen concerning the eligibility of such students for unemployment benefits under State laws during the half-month period in which they perform no services for remuneration by the NYA. Many students who wish to enroll in these courses are unable to forego, in return for the small income received from such work projects, the unemployment benefits to which they are entitled from previous employment covered by State laws. At the request of the NYA, the Social Security Board advised the States that, in its opinion, "services performed by individuals on NYA projects and the remuneration therefor should be construed to constitute 'services' and 'wages' within the meaning of these terms . . . as they are commonly found in State unemployment compensation laws," and that "NYA earnings represent earnings with respect to the week (or other claim period) in which the services are actually performed and are therefore allocable to such weeks." In States adopting this opinion, students aided under the NYA program would be entitled, if eligible in other respects, to unemployment benefits for weeks in which they performed no services and with respect to which no remuneration was payable.

Military and naval services.—Efforts to protect the benefit rights of covered workers called to the armed forces entailed the need to identify and preserve the wage and employment records which serve as evidence of the rights of such workers. To assist States in this connection the Board developed, in cooperation with officials of the Selective Service System, the War and Navy Departments, and the Coast Guard, a plan for distributing special identification cards to all posts, camps, ships, and stations of the Army, Navy, and Coast Guard. Persons who had previously worked in covered employment were asked to note information concerning that employment and to return the record to the Board for transmittal to the appropriate State employment security agency as a notification that the worker's wage record should be preserved. During the last quarter of the fiscal year more than a million cards were thus distributed, and arrangements were made for distribution to new entrants into the armed forces.

Evaluation and Planning

Appraisal of the efficiency of operations and adequacy of provisions for the employment security program requires review of all amendments to State laws, collection of data from all States on month-to-month developments, intensive surveys of conditions in some localities, and long-range studies of factors in the legislative and administrative framework of State systems and the setting in which they operate. Research and analysis, based on local surveys and periodic and special reports from State agencies, guide the Board's general recommendations concerning the program as well as the specific administrative procedures required to assure State conformity with provisions of the Federal legislation and the content and form of recommendations to States which request assistance in meeting many of the problems described in earlier pages. The results of special analyses and compilation of periodic data for all States and regions provide a current, composite picture of trends in applications for work, placements, claims for benefits, benefit payments, the interpretation of State laws, and financial developments. Only through the collection of information from all parts of the country, analysis of the significance and implications of prevalent and isolated phenomena, and consideration of developments in the light of various aspects of these and related programs can the Board fulfill its statutory responsibilities.

Studies made by the Board during the fiscal year have included examination of the effect of the defense program upon various industries and States, the extent to which present provisions of State laws bar workers from benefits or result in inadequate benefits, the trends in rulings on appealed claims for benefits, the results of provisions permitting reduced rates of contributions for certain employers, and operating difficulties and costs. Relationships to other Federal and State programs, such as old-age and survivors insurance, the insurance programs for railroad workers, workmen's compensation, public assistance, general relief, and Federal work programs, and the problems of workers unemployed by reason of temporary or permanent disability have been considered from the standpoint of gaps in protection and the economic security of the family and community. Many areas which reveal inequities can be improved through State action or administrative rulings; other changes, of wider import, require consideration by the Congress.

Monthly, quarterly, semiannual, and annual summaries of operating data and analyses of special aspects of operations under State employ-

ment security programs are made available regularly to Federal and State administrative personnel, and by sale to interested members of the general public, through the Employment Security Review, the Social Security Bulletin, and its annual supplement, the Social Security Yearbook. These publications, with periodic releases and technical memoranda on legislative and other special phases of the program, provide data essential for evaluating developments in the States, for estimating the relationship of the Federal-State program to other social security measures, and for analyzing the implications of trends. To afford similar information on State practices in deciding appealed claims for unemployment benefits, the Board also issues and publishes monthly the Benefit Series of the Interpretation Service, an indexed compilation of selected State benefit and court decisions, opinions of attorneys general, and interpretations rendered under State unemployment compensation laws. On request of State agencies, assistance is also provided in the form of copies of syllabi and aid to the agencies in indexing their own State decisions. These vehicles for acquainting State and Federal agencies with significant data on the program in all States and Territories afford information applicable to immediate administrative problems and to long-range planning.

Employment Services

Activities previously established to obtain and analyze information concerning the labor market, job specifications, and individual aptitudes have furnished the basis on which the Board was able this year to meet urgent demands created by the defense program. At the request of State agencies and various defense organizations, intensive surveys of labor-market conditions were made in more than 175 localities, including nearly all large cities. Reports based on these surveys, undertaken in collaboration with the Bureau of Labor Statistics of the Department of Labor, include summaries of employment trends, employers' hiring practices and specifications, wage rates, labor relations, the volume and character of migration, and problems anticipated in connection with housing and educational facilities. Continuing analyses of the supply of and demand for labor and other labor-market developments formed a comprehensive background for consideration of special problems arising in connection with the defense program and for the extension of surveys, reporting, and other activities to meet these needs.

The annual inventory of registrants in the active file of public employment offices likewise provided a foundation for special reporting activities geared to the defense program. As in the past, this in-

ventory furnished a significant measure of the impact of unemployment in terms of the age groups, skills, and industrial experience of the men and women who as of a given point of time had been unable to find jobs. The particular value of such information in revealing the types and locations of available workers in this fiscal year and the additional types of regular reporting instituted to show the supply of workers in certain defense occupations have been described.

Effective placement service requires full knowledge of the mental and physical aptitudes of applicants for work and the specific abilities needed in the jobs to which they are referred. Ground work was laid in prior years for prompt response to emergency demands in this field of placement work through the compilation of a dictionary of 17,000 occupational titles to aid in comprehensive analysis of the various processes involved in nearly all skilled and semiskilled mechanical operations. Detailed information on job specifications for many types of industrial activity and data on the construction and use of tests to measure individual proficiency in many kinds of work processes, accumulated by the Board and made available to State agencies, are providing an increasingly comprehensive basis for improvement of techniques for classifying and placing workers and for devising methods of translating skills and experience for which there is little or no immediate demand into ability to perform new tasks.

Insurance Provisions

The social value of the unemployment insurance program can be determined only by constant appraisal of its relation to individual workers, to industries and communities, and to the national economy. Compilation and analysis of data on employment and wages covered by the State unemployment compensation laws and on industrial characteristics of States and regions give important clues to the extent of protection afforded and the needs still to be met. An extensive analysis of employment and wages in 1939 was initiated and will be issued in the latter part of 1941. This monograph, the second of its kind in the field of unemployment compensation, represents a comprehensive series of data on employment and wages in the United States. These data have been used in the States as the basis for indexes of business activity, and also in connection with problems arising from the labor needs of defense employers. Their primary use, however, has been in connection with the relation of benefits and contributions to wages by industry, seasonality studies, and other important areas in the field of unemployment compensation.

Investigation has been made of the effect of State provisions on the amount and duration of benefit payments for workers of

different wage levels, and of the extent to which benefit rights are exhausted before the beneficiary is again employed. In several counties, the adequacy of benefit payments and the relation of such benefits to payments under relief programs have been analyzed. Detailed studies have also been completed, and others are in progress, to determine the effect of experience-rating provisions in relation to size of employer pay rolls and industry, to benefit payments, and to the financial structure of State programs. Studies of interstate migration and shifts between covered and noncovered employment indicate gaps in present protection among workers for whom the protection is designed. For studies relating to all these and other topics the staff of the Board furnishes technical assistance to States which request it in analyzing their particular situations and problems, and acts as a clearing house in bringing to the attention of all States the results of experience which bears on particular or general problems and methods of meeting them.

Future Developments

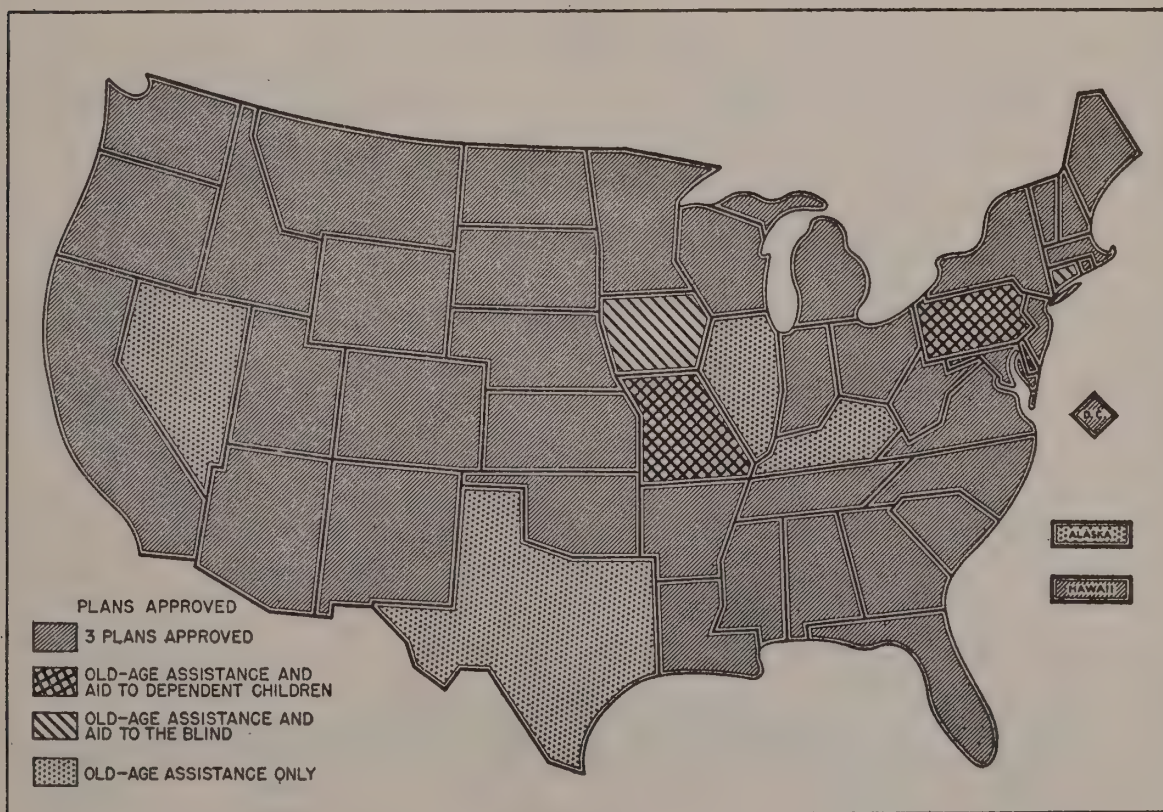
Further steps, legislative as well as administrative, are needed to provide integrated placement services and unemployment insurance protection for a larger proportion of the gainful workers of the Nation. Present protection is limited unduly by restrictions in the coverage of State laws and the loss of benefit rights when workers shift between covered and noncovered employment or from one State to another. To fulfill the purpose of Federal and State statutes, it becomes increasingly apparent that more nearly uniform and more extensive coverage should be provided to the end that all persons whose livelihood depends upon the sale of their services in the labor market may acquire credits toward benefits in periods of involuntary unemployment. Moreover, the adequacy of benefits must be assured if the unemployment compensation program is to fulfill its function. There is need for greater uniformity in benefit standards and for improvement of the standards in effect in most States. Disqualification provisions, which also vary among the States, are growing increasingly severe with respect both to the reasons for and the duration of disqualification, including the cancelation of wage credits. Finally, the differing experience of the States in financing their unemployment compensation programs and the even greater diversity to be anticipated in the coming year with wider use of experience-rating measures indicate the need for a comprehensive examination of the program as a whole in the interest of more nearly equitable protection of workers and more nearly equitable competition among employers throughout the country within a framework which assures the solvency of all State systems.

• IV •

Public Assistance

THE FEDERAL-STATE public assistance programs administered under the Social Security Act were characterized in the fiscal year 1940-41 by increasing stabilization in size and scope and by qualitative improvement in administration. Building upon the basic structure developed in earlier years, the States and the Social Security Board were able to lay increasing emphasis upon revaluation of the operation of the programs and improvement of administrative standards, policies, and practices. Opportunities and requirements resulting from the 1939 amendments to the Social Security Act received major attention. In these and other areas there was considerable legislative activity. There was a continued increase in the volume of assistance, doubtless due in part to the amended provisions for greater Federal participation in the public assistance programs. Because of the general improvement in employment conditions, which resulted in curtailment of expenditures under general relief programs and Federal work programs, assistance to the needy aged, dependent children, and the needy blind

Chart 25.—*Public assistance: States with plans approved by the Social Security Board, as of June 30, 1941*



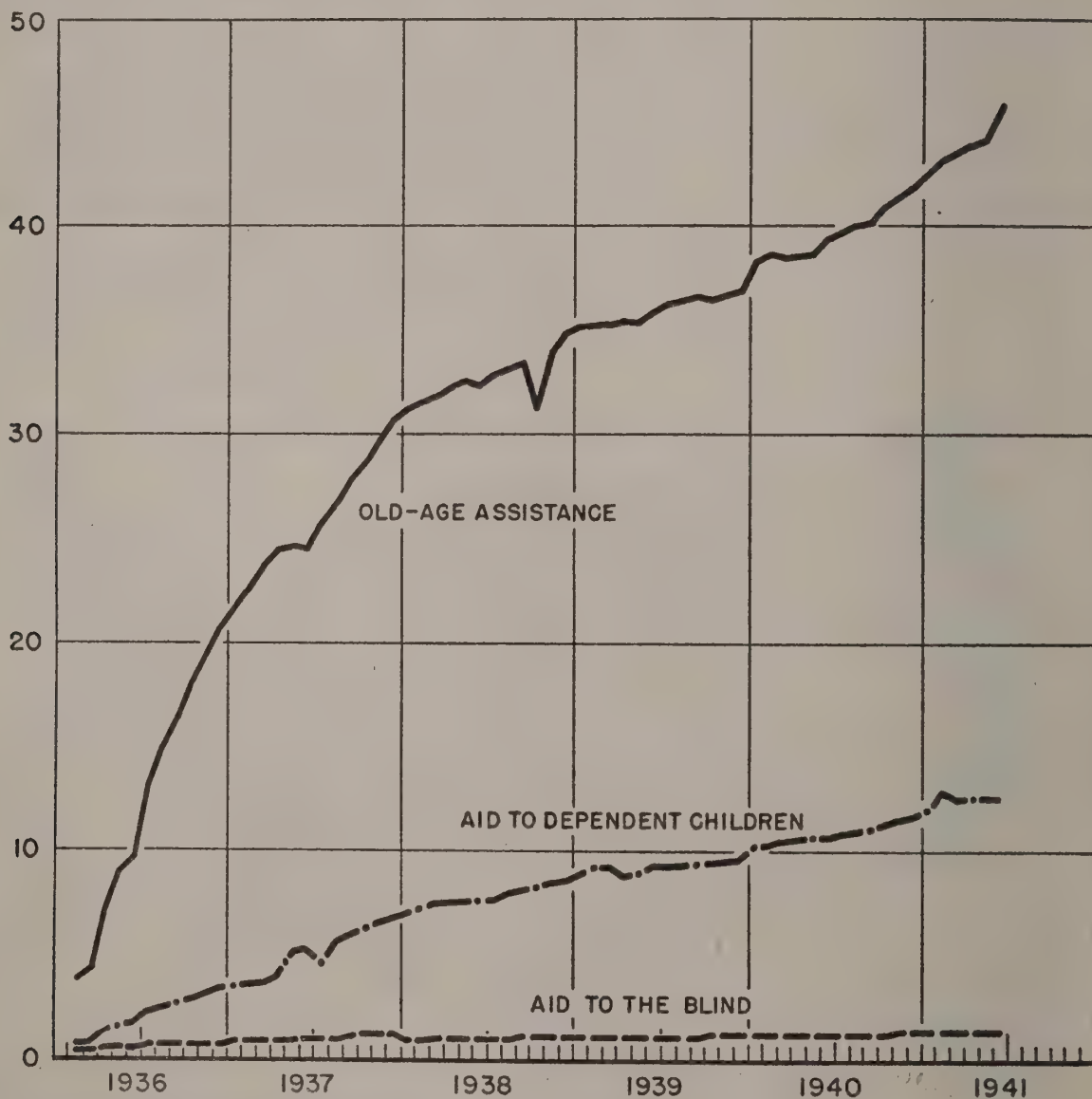
constituted a substantially increasing proportion of the total provided under all public programs for persons in need.

Scope of the Program

Responsibilities of the Social Security Board in the field of public assistance include the approval of State plans as meeting the requirements of the Social Security Act for matching Federal grants to the States, and review of the operation of the State programs to assure conformity with Federal requirements and with the State plan; certification of Federal funds to the States for payments to recipients and for costs of administering the State programs; and provision of many types of services to State agencies to assist them in making the most

Chart 26.—*Public assistance: Payments to recipients of special types of public assistance under State plans approved by the Social Security Board, February 1936–June 1941*¹

MILLIONS OF DOLLARS



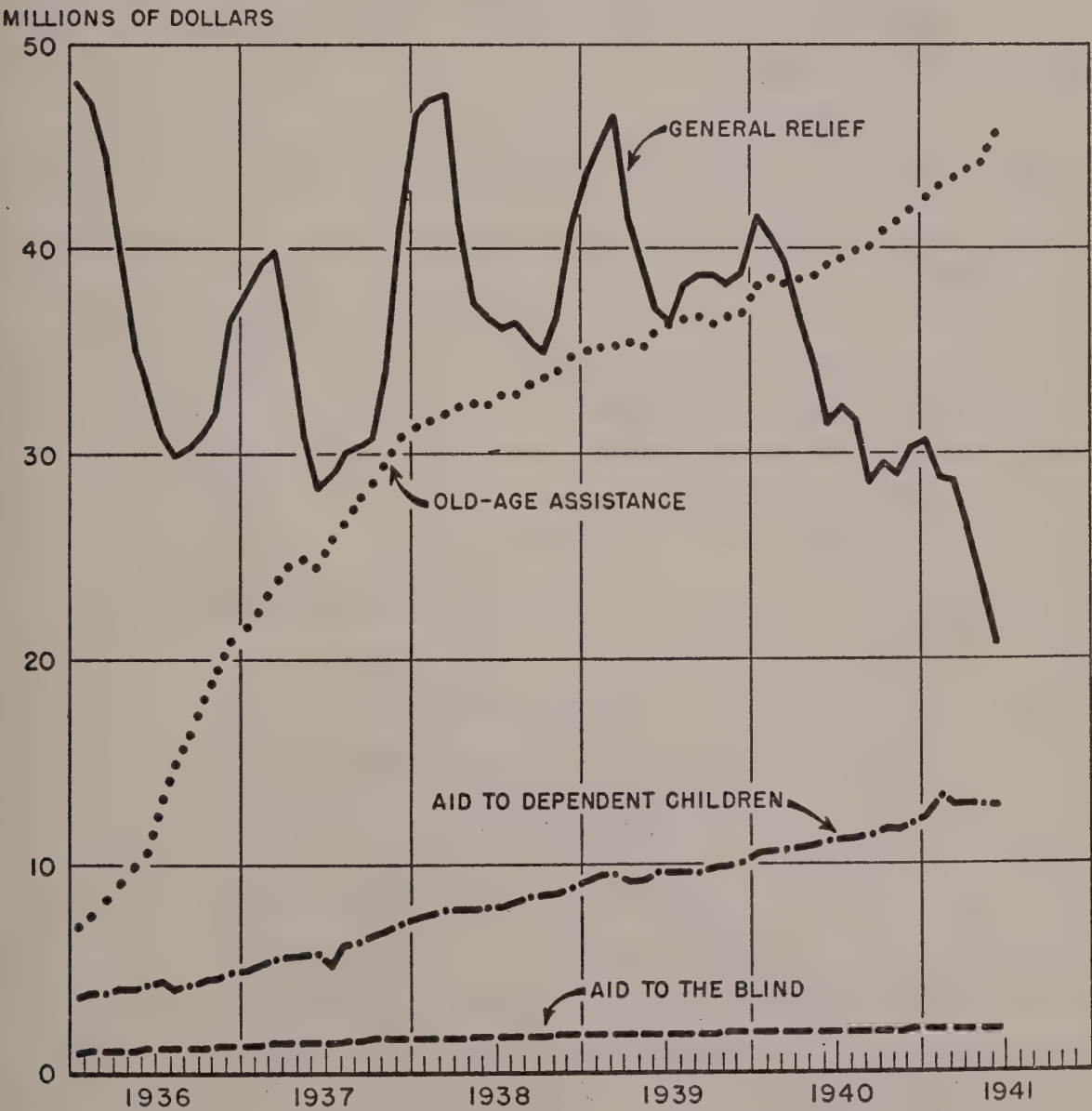
¹ For data by State, fiscal year 1940-41, see table D-1.

effective use of all resources available for the special types of assistance. Responsibility for these functions is delegated largely to the Bureau of Public Assistance, which works in collaboration with the Office of the General Counsel of the Federal Security Agency and with bureaus and offices of the Board responsible for centralized functions in research and statistics, public information, personnel standards, and accounts and audits.

Payments and Recipients

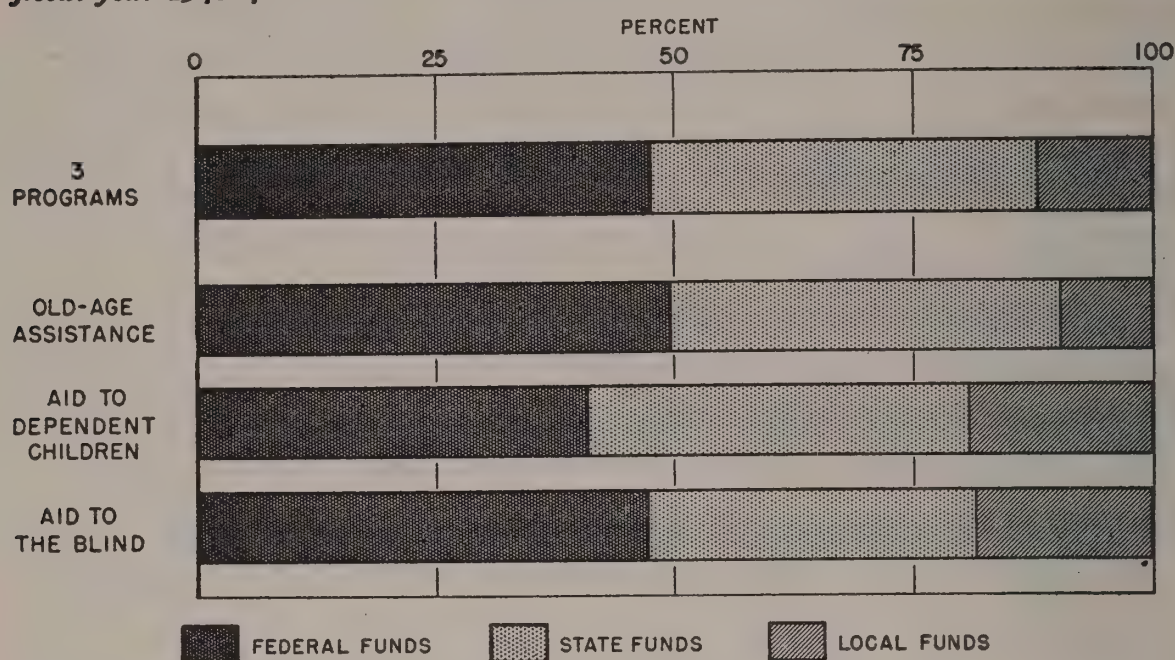
During the fiscal year, expenditures for payments to all recipients of the special types of public assistance in the continental United States, Alaska, and Hawaii amounted to \$673.3 million; of this total, \$660.4 million was expended under the State plans approved by

Chart 27.—Public assistance: Payments to recipients of special types of public assistance and general relief in the continental United States, January 1936–June 1941¹



¹For data by State, fiscal year 1940-41, see table D-1.

Chart 28.—*Public assistance: Percentage distribution of expenditures for payments to recipients under State plans approved by the Social Security Board, by source of funds, fiscal year 1940-41¹*



¹ See tables D-7, D-8, and D-9.

the Social Security Board and \$12.9 million under programs administered without Federal participation. Costs of administering approved plans at the State and local levels totaled approximately \$43.2 million.

Expenditures under the Social Security Act.—Throughout the year all 48 States, Alaska, Hawaii, and the District of Columbia were administering old-age assistance under plans approved by the Social Security Board. Federal funds were likewise administered under approved plans for aid to dependent children in 44 jurisdictions, of which 2—Mississippi and South Dakota—instituted programs under the act during the year. In this fiscal year, as in the year preceding, 43 jurisdictions were administering Federal funds under approved plans for aid to the blind.

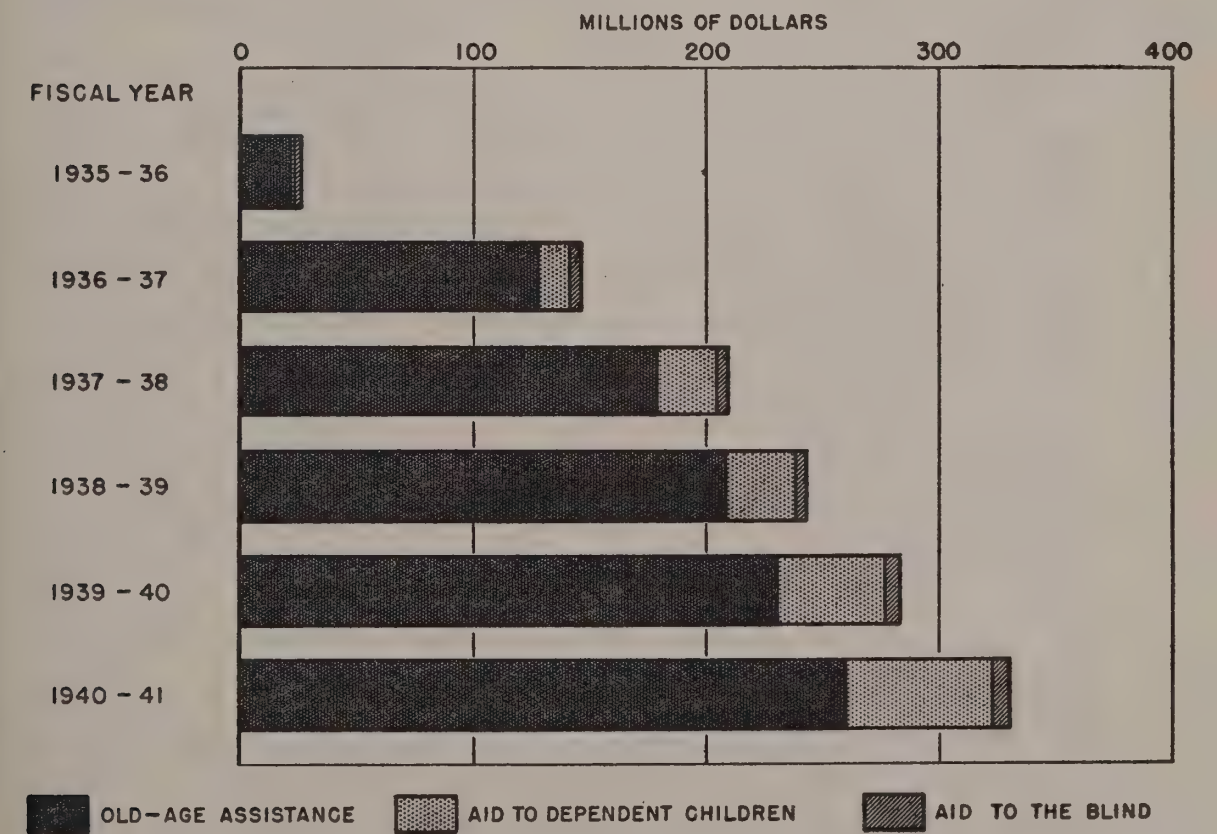
Of the total amount expended for payments to recipients under approved State plans, \$315.3 million represented Federal funds, while \$265.8 million and \$79.3 million, respectively, represented State funds and funds provided by the localities. As will be seen from chart 28, there was considerable difference in the extent of Federal participation in the three programs. This difference is probably due in considerable measure to the fact that the limits within which matching Federal funds may be used in monthly payments for aid to dependent children are relatively lower than those for the other two programs; as a group, therefore, the States finance a relatively higher proportion of aid to dependent children from State funds or State and local funds.

The Social Security Board certified Federal grants totaling \$329.9 million for operation of State programs during the fiscal year. For old-age assistance \$259.9 million was certified, representing Federal grants to help meet the costs of payments to recipients and costs of administration of the approved plans in operation in all States. Grants certified for assistance and administration amounted to \$63.0 million for aid to dependent children, and to \$7.1 million for aid to the blind.

Total expenditures from Federal, State, and local funds for payments to recipients under approved State plans exceeded by \$78.7 million, or 13.5 percent, the expenditures in the preceding fiscal year. The total amount of Federal funds expended for these payments was greater by \$48.6 million, or 18.2 percent, than in 1939-40.

Recipients of public assistance.—There was an increase during the year in the extent to which assistance was made available to the needy aged, needy blind persons, and dependent children. In June 1941 there were 2,169,942 recipients of old-age assistance. In States with approved plans, aid was provided for 916,742 dependent children in 379,594 families and for 49,817 recipients of aid to the blind. As compared with June 1940, the number of aged recipients increased

Chart 29.—Public assistance: Federal grants for assistance payments and administration to States with plans approved by the Social Security Board, by fiscal year, 1935-36—1940-41¹



¹ For fiscal year 1940-41, see table A-4.

10.1 percent; the number of children aided increased 14.3 percent and the number of families by almost the same proportion; and there was a rise of 4.8 percent in the number of recipients of aid to the blind. In addition, about 29,300 children and 24,300 blind persons received assistance in June 1941 in States which do not have approved plans for aid to dependent children and aid to the blind. The count of recipients given above understates the number of persons who are aided by the programs because the number of recipients of old-age assistance and aid to the blind and of families receiving aid to dependent children represents only the number of formally approved applications for assistance and the resulting number of monthly payments. In some instances, however, the needs of other members of the household whose presence is essential to the welfare of the recipient have been considered in determining the amount of the assistance payment.

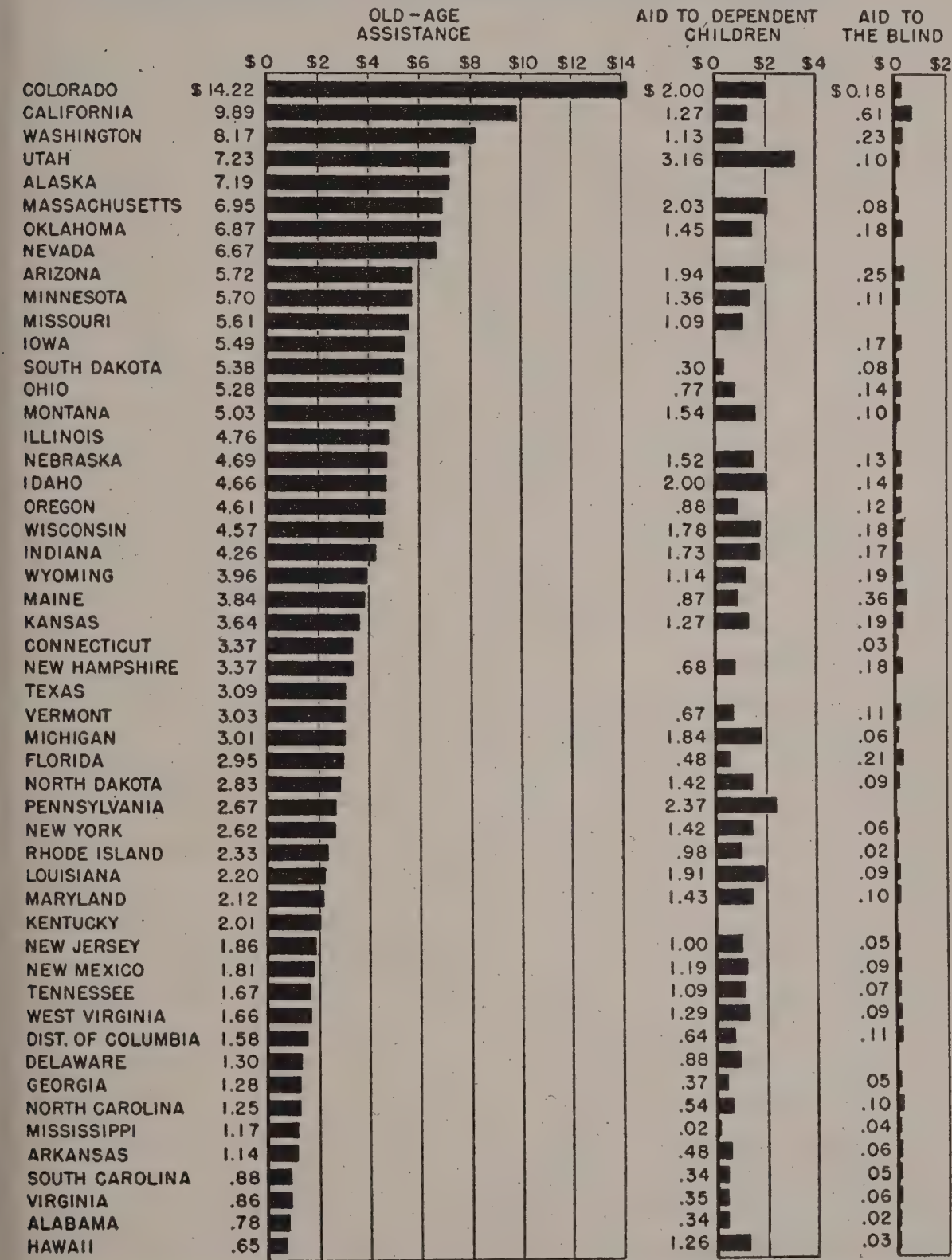
Average payments.—The average old-age assistance payment for June 1941 was \$21.08; for all jurisdictions participating under the Social Security Act the average for aid to dependent children was \$13.67 per child aided or \$33.01 per family, and for aid to the blind the average was \$23.67. Within these figures there is a wide range in the State averages, and within the States there are wide variations in the amount of individual payments. The prevailing level of payments within a State is determined by such factors as the extent and nature of the need for a given type of assistance and the resources available to meet that need, costs and standards of living, and administrative policies and practices.

Per-inhabitant expenditures.—In the past fiscal year, as in the years preceding, there was a significant disparity in the amounts of assistance available to needy aged persons, children, and the blind in different parts of the country (chart 30). Expenditures per inhabitant for the three special types of public assistance combined ranged in 1940–41 from \$16.40 in Colorado to \$1.14 in Alabama. There were also variations too wide to be explained by differences in need or similar factors in the relative per-inhabitant expenditures within a State for each of the programs. The past year's experience has further confirmed and strengthened the concern which the Board has expressed on previous occasions for more nearly equitable treatment throughout the country of needy persons in substantially similar circumstances who are being assisted in part through Federal funds. The most important single factor behind the present discrepancies is the differing capacity of the States themselves to provide, at an adequate level, the State and local funds to which the Federal grant must be proportioned. The Board is also concerned that, within the limit of the total resources available to a State, due heed is given to the needs

of each of the groups aided under these and other programs for needy persons and to the basic social services for the people of the State as a whole.

Relation to other programs.—In contrast to the rise in assistance to the needy aged, needy blind, and dependent children, there was a

Chart 30.—Public assistance: Amount per inhabitant for payments to recipients under State plans approved by the Social Security Board, fiscal year 1940-41¹



¹ See also table D-1. Total population as of Apr. 1, 1940, from the U. S. Bureau of the Census.

marked decline in the total expended during the fiscal year under all public programs for persons in need. In each month of the year there was a decrease, as compared with the same month a year earlier, in the total for public expenditures under all major programs, including the special types of public assistance, general relief, subsistence payments by the Farm Security Administration, the Civilian Conservation Corps, National Youth Administration, Work Projects Administration, and other Federal agency projects financed from emergency funds (chart 1). There was a similar decline in the estimated total number of different households and persons in receipt of assistance and/or work-program earnings. In June 1941 total expenditures for assistance and earnings under these programs were \$189.4 million, as compared with \$219.0 million a year earlier. It is estimated that some 4.7 million different households containing 12.4 million persons were in receipt of assistance and/or work-program earnings in June 1941, a decrease of 700,000 households and 2.7 million persons from the corresponding estimates for June 1940. The decline in these totals may reflect, in part, improvement in economic conditions and the higher levels of employment in some areas occasioned by the defense program. The upswing in employment, however, could be expected to have only a limited effect upon the circumstances of persons who receive assistance under the Social Security Act, since the aged, children, and the blind are largely or wholly outside the labor market. Dislocations and changes resulting from the defense program, among them the current rise in costs of living, are likely to accentuate certain needs for assistance.

While the impetus afforded by the Social Security Act and the Federal funds made available under its provisions have greatly broadened the assistance available to needy aged persons, children, and the blind, these programs still fail to meet the needs of the groups for whom they are intended. Not all States are yet availing themselves of Federal funds for dependent children or the blind. In some States with approved public assistance plans there are long waiting lists of applicants, the majority of whom are believed to be eligible but for whom aid is not provided, chiefly because sufficient State and local funds have not been made available. In many instances the payments to individual recipients, with such resources as they themselves may have, are insufficient to provide a standard of living compatible with the objectives of the Federal and State legislation. In time, it may be expected, development of Federal old-age and survivors insurance will lessen considerably the need for public assistance among aged workers and their dependents and among the families of deceased wage earners; at present this provision has been in operation for too

short a time to have had an appreciable effect upon the public assistance program.

Effect of 1939 Amendments

The fiscal year has afforded the first substantial experience in operation of the amended provisions of the Social Security Act which, beginning with January 1940, somewhat liberalized Federal financial participation in the public assistance programs. For aid to dependent children, the basis of Federal matching was increased from one-third to one-half the total amount provided by the State, or the State and its localities, for operation of an approved plan, and authority was given for the use of Federal funds in payments for children up to the age of 18 years, instead of 16 years, if they attend school regularly. For old-age assistance and aid to the blind, Federal funds may be used to pay one-half the cost of assistance payments up to a monthly payment of \$40 instead of \$30 as formerly. For aid to the blind and aid to dependent children, authority was granted to use Federal funds to pay half the necessary costs of administering the program; for old-age assistance, as previously, an additional 5 percent of the amount granted for assistance payments is provided for use toward administrative costs, for assistance payments, or for both purposes.

While it is difficult to evaluate all factors that have been responsible for changes in State practices, there is evidence that a considerable rise in total payments to recipients has resulted from the higher matching ratio or maximum monthly amounts established under the new provisions. Some States were not able to take immediate advantage of these provisions because their laws limited the amount of the monthly payment to a recipient or limited the maximum age for aid to dependent children. Other States lacked funds, pending new appropriations, to avail themselves of additional Federal funds. State legislative sessions during the past fiscal year have made possible, in some instances, increased future participation. Operations under the new provisions have demonstrated once more the anomaly inherent in uniform matching Federal grants. Wide diversity among the States in average payments has persisted. States in which assistance programs were inadequate because State resources were low in relation to the needs to be met have continued to find themselves unable to provide amounts which would entitle them to Federal grants proportionate to those available to the richer States. Elsewhere in this report the Board has renewed its recommendation for special Federal aid to enable the States with small resources to finance more nearly adequate assistance programs than they can now afford.

Basing the Federal grant for administration of aid to the blind on half the proper and necessary costs, rather than on a fixed percentage of the amount of the grant for assistance payments, makes it possible to adjust the Federal grant to the many different factors affecting costs in the several States. It is believed that this change, effected by the 1939 amendments for aid to the blind, should be extended to Federal grants for the administration of the old-age assistance program.

Major attention of the States and the Board was given also to measures to implement two further amendments to the Social Security Act which became effective July 1, 1941. These measures require that State plans provide, as a condition of approval by the Board, for safeguarding information concerning applicants and recipients and for considering, in determining need, all income and resources of the applicant or recipient. Policies proposed by the Board and measures adopted by the States are reported subsequently in this chapter.

Administrative Organization and General Policies

The Board maintains advisory services to State agencies through its regional representatives. Through these representatives it also makes available the services of consultants in such major fields of administration as personnel standards, staff development, legislation, accounting and auditing, public information, statistical reporting, and research, as well as on such technical subjects as medical care and determination of need. Such services make it possible to acquaint a State with methods that have been found effective elsewhere and serve also to keep the Board in close touch with aspects of the program which reflect and determine Federal policies and procedures.

Developments during the fiscal year in the administrative organization of State public assistance programs and in general administrative policies related largely to the Federal amendments effective before or at the end of the fiscal year. In these and other connections questions arose concerning the relative authority of the State agency and the local agencies. Continued consideration was given to the integration of assistance programs and the interrelationships of the various programs maintained in a State for persons in need. Continued attention also was given to services, such as medical care, needed by recipients, and to methods under which standards for such services and for other aspects of the programs may be established and maintained.

Administrative Organization

The Social Security Act requires as a condition of Federal approval that each State public assistance plan shall be in effect in all subdivi-

sions of the State, and shall provide for either the establishment or designation of a single State agency to administer or to supervise administration of the plan. The Board and many States have been of the opinion that economy and efficiency in operation are promoted by a further integration whereby one State agency is responsible for activities relating to the special types of public assistance and also, in some instances, to general assistance and other programs for persons in need. In 37 States, supervision of all three public assistance programs is now delegated to a single State agency. There has been marked progress during the past year in bringing together in one administrative setting all programs on the Federal and State levels which affect individuals in a locality.

Litigation has arisen in several States on the limits of the authority of public assistance agencies. Decisions generally have sustained the rulings of public welfare agencies, holding that they were neither arbitrary nor unreasonable and therefore not subject to judicial corrective action. It was held, moreover, in *Oklahoma Public Welfare Commission v. State ex rel. Thompson* (187 Okl. 654, 105 P. (2d) 547) that all administrative remedies must be exhausted before the claimant has recourse to the courts. Of special interest is the decision in *Fairall v. Redmon* (110 P. (2d) 247, Colo. 1941) in which the court held that the State agency had implied authority to prorate payments on the basis of available funds even if the constitution of the State provides for larger specified payments.

Integration of Programs

At the Federal level considerable attention has been given, as reported in chapter II of this report, to joint consideration of policies and to the services which public welfare agencies may render in the disposition of certain types of claims, especially those relating to children, under the Federal old-age and survivors insurance program. In addition, plans have been worked out in nearly all States to provide local public assistance agencies with necessary information on payments under the Federal insurance program to persons who apply for or receive public assistance, since these benefits constitute income which must be considered in determining eligibility for assistance and amounts of assistance. Of even greater importance is the growing recognition of the complementary character and essential unity of the measures instituted through the assistance and insurance provisions of the Social Security Act.

Members of the public assistance staff of the Board have served during most of the year on the Coordination and Vocational Rehabilitation Committee of the Federal Security Agency. Numerous

conferences also have been held with medical social-work consultants and other staff of the Veterans Administration, the United States Children's Bureau, and the United States Public Health Service. In many areas of joint concern, among them medical-care provisions and professional training and standards, collaboration has been continued with national social welfare agencies, including the American Association of Schools of Social Work, the American Association of Social Workers, the American Public Welfare Association, the American Foundation for the Blind, the Family Welfare Association of America, the National Conference of Social Work, and the National Society for the Prevention of Blindness. The Director of the Bureau of Public Assistance served as president of the National Conference of Social Work during the year.

Personnel Standards

Effective January 1, 1940, the States were required, as a condition of the Board's approval of a State plan, to establish and maintain objective standards on a merit basis for personnel engaged in the public assistance programs. While action to comply with this requirement had been taken by all participating jurisdictions in the preceding fiscal year, many of the steps involved in implementing standards and developing procedures could not be taken until the year just ended. General activities of the Board with respect to merit standards in use for both the public assistance and employment security programs are summarized in chapter V of this report. In the field of public assistance, important activities of the Board and the State agencies were concerned with surveys to classify the jobs within the State programs, preparation of materials for examinations to qualify present and new personnel, preparation of salary schedules, and development of other formalized procedures requisite to the use of objective standards for the selection, promotion, transfer, and separation of personnel.

Consideration of these formal procedures has had a marked impact upon the activities which the Board has maintained almost since its inception to assist the States in programs of staff development. In response to an increasing number of requests from the States, advice and aid have been given in such matters as methods of acquainting new personnel with the objectives and practices of the agency, appropriate standards of supervision, and the use of educational leave as a method of improving professional standards. The Board has continued to express its conviction that the merit system, while an essential basis for personnel standards and safeguard of such standards, must be supplemented by continuing activities for staff development.

State executives have shown increased interest in these supervisory standards and other personnel standards as a result of the effect of the merit systems in building up staff which, for the most part, will be permanent. Staff members likewise have shown themselves more concerned than formerly with the long-range objectives of the program and with the objectives of the agency with which they may now expect to have a continuing connection.

Safeguarding Public Assistance Information

The principle of the confidential nature of records, long recognized in social work practice and public welfare administration, was formally established by the amendments to the Social Security Act requiring, as of July 1, 1941, that State plans to be approved by the Board provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the program.

To assist the States in meeting this requirement, the Board has provided advice to State agencies with respect to necessary changes in legislation, a statement of standards to implement legislation, and assistance in the development of State administrative regulations. The statement approved by the Board in May 1941 sets forth objectives as follows:

The amendments to the Social Security Act, regarding the confidential character of public assistance information, have as their objective the protection of applicants and recipients from exploitation and embarrassment. State regulations should be directed to the objectives of:

1. Developing a relationship of confidence between the agency and the applicant for public assistance, which is vital and essential to efficient administration.
2. Defining and protecting the rights of applicants for public assistance through safeguards (a) against the identification of such individuals as a special group segregated on the basis of their need for public assistance, (b) against the exploitation of this group for commercial, personal, or political purposes, and (c) against making information available as a basis for prosecution and other proceedings except in connection with the enforcement of the public assistance laws.
3. Providing a basis for recognition by the courts of the right of the agency to protect its records, and of the privileged character of information made available to the public assistance agency in the process of administering assistance.
4. Developing a relationship of confidence between the agency and the public at large by protecting information made available to the agency by representatives of the public and utilizing such information only for the purposes of the proper functioning of the agency's public assistance programs.

In relation to subpoenas of records and individuals, the Board has taken the position that, except in instances directly involving the administration of public assistance, agency representatives should plead their State law and agency regulations to the courts to obtain

release from disclosing public assistance information. In States and localities where the method used in recording liens yielded lists of public assistance recipients, recommendations were made for revisions which would establish safeguards in this respect. Safeguarding the use of public assistance information by agencies other than the public assistance agency itself, in instances in which other agencies have access to such information, is being handled through legislation and regulation. The single State agency administering or supervising public assistance is held responsible for protecting the records no matter where they are located or in whose possession they are.

Although many State agencies already had regulations concerning records, based for the most part on the general rule-making authority, legislation was often needed to strengthen the regulatory power. In keeping with the purposes of the amendment the States have in general safeguarded the privacy of the individual by measures designed to prevent the use, for other than the administrative purposes of the assistance agency, of lists or other identifying information. Similarly, by appropriate application of legal principles affecting the use of confidential information for evidentiary purposes, relationships between the agencies and their clients have been materially strengthened.

Fair Hearings

To implement the requirement of the Federal act that a State plan, to be approved, must provide procedures under which an applicant or recipient may appeal for a hearing before the State agency, the Board has issued a statement defining the objectives and principles of procedures for fair hearings:

1. The objective of the fair-hearing provisions of Federal and State law is directed primarily toward safeguarding the interests of the individual applicant for or recipient of public assistance.

2. It must be recognized that the best interests of the individual are safeguarded primarily through sound administration of the program as a whole, the essentials of which are: A sound legislative basis defining the program; adequate funds; sound organizational structure with clearly defined lines of responsibility; well-defined policies, especially in relation to determination of eligibility and standards of assistance, which are made available to the staff through clear and adequate instructions; and competent personnel, supported by adequate supervision, and working under conditions conducive to effective performance.

3. The fair hearing is an integral part of the administration of public assistance and requires the understanding and the support of the agency's staff.

4. As an element in the administrative process, the fair-hearing procedure may serve to support and strengthen proper and efficient administration of public assistance by:

- a. Providing a practical means by which the applicant or recipient is afforded protection against arbitrary action or negligence on the part of the representatives of the agency, and

b. Bringing to the attention of the State agency information indicating need for clarification or revision of State and local policy and practice.

5. Beneficiaries of public assistance should be assured equitable treatment through the administrative process, without the need of resort to legal action in the courts.

6. The basic principles of fair hearing and the standards adopted by the State agency for carrying them into effect should be regarded as mandatory in the States, since they are basic requirements of State and Federal statutes.

This statement has helped State agencies to clarify their policies and procedures regarding fair hearings. Information obtained from the review of State and local administrations indicates, however, that the performance of State agencies lags behind established policy and procedure and is not yet fully consistent with the principles and methods recognized by the Board and the State agencies.

Standards and Practices for Determining Eligibility

The Social Security Act requires, as a condition of the approval of State plans, certain minimum standards relating to eligibility for public assistance. To be approved, a plan must apply to all subdivisions of a State; among other conditions, it may not impose age or residence requirements more stringent than those specified in the Federal act or a citizenship requirement which excludes from old-age assistance or aid to the blind any United States citizen; and it must provide for any applicant whose claim to assistance is denied an opportunity for a fair hearing by the State agency. The 1939 amendments, moreover, clarified the earlier legislation by specifying that, beginning July 1941, in determining need consideration shall be given to any other income or resources of the individual.

Determination of Need

In interpreting the new provisions, the Board approved in February 1941 the following statement of policy relating to the consideration of income and resources in the determination of need:

The purpose of these amendments is to assure that the State agency shall give consideration to all relevant facts necessary to an equitable determination of need and amount of assistance. In order to do this, the authority of the State agency must not be limited by legislative provisions that require the agency to disregard income or resources whether in cash or in kind, in determining the need of applicants for public assistance. Public assistance is intended to supplement rather than replace any available or continuing income and resources. The lack of resources or income to meet requirements thus becomes the determining factor in the establishment of need.

The Board recommended that income and resources, when considered in the determination of need, should be actual, not merely

potential; should be available to the applicant and of appreciable significance in meeting his needs; and should be considered from the standpoint of conservation and maximum utilization in the interest of the welfare of the applicant. Economic need, according to this interpretation, bears a relationship to both the requirements and resources of the individual and not to resources alone or to requirements alone. Thus a lack of resources to meet established requirements determines that need exists; a comparison between established requirements and all available income and other resources determines the deficit in resources and the amount of assistance needed.

By the end of the fiscal year all States had taken whatever legislative action was necessary for compliance with the Federal requirement regarding consideration of income and resources in the determination of need; previously some States had had provisions under which certain types or amounts of income and resources were specifically excluded from consideration in this connection. In practice, moreover, there was progress in developing common standards of assistance for the programs administered by a State agency. The objectives of such efforts are to simplify procedures for determining need so that they will be readily understood by both the applicant and the agency representative, and to develop standards of assistance which will assure equitable treatment through consideration of the varying requirements of old age, childhood, and blindness, of the prevailing costs of living in the applicant's community, and of his particular living arrangements and resources. In all 19 States visited by staff of the Board in providing consultation services on the determination of need, plans were in effect or under way for reexamination of the State's existing policies and preparation of new standards and procedures.

Eligibility for Aid to Dependent Children

Legislative action, when needed, has been taken and administrative changes have been made by several States to provide assistance for dependent children up to the age of 18 when the child attends school, in accordance with the amendment providing matching Federal funds for payments with respect to such children. In addition States are extending their programs, by changes in law or policy, to make fuller use of opportunities otherwise afforded by the Social Security Act. Under the act, Federal funds may be used toward payments for children who have been deprived of parental support or care by reason of the absence, incapacity, or death of a parent. Lack of understanding of the full scope of these provisions, restrictions in State laws and plans, and, perhaps most important of all, lack of funds have hampered

extension of aid to many children toward whose payments Federal funds were potentially available.

Some States are specifically including needy children of fathers whose absence from home is due to service in the armed forces. There has been a small but steady increase since 1937 in the proportion of children aided under approved plans who are living with relatives other than the mother; some early State laws restricted assistance to children in the care of widowed mothers. The change indicates some liberalization in State practice to accord with the wider latitude permitted in use of Federal funds under the Social Security Act and shows increasing realization that the need of the child should be the fundamental condition of eligibility. This recognition also underlies the tendency apparent in the past year toward eliminating unduly restrictive requirements concerning the "suitability" or "fitness" of the home in which the child lives or of the relative to whom the payment is made.

Determining the physical or mental incapacity of a parent to substantiate a child's eligibility for aid to dependent children has presented many difficulties to State agencies. To assist the State agencies in meeting this problem, the Board has issued a statement on health care for children and parents in the aid to dependent children program. Many State agencies are now giving consideration to revision of their definitions and procedures for determining incapacity. In a few States medical advisory committees have been or are being established to furnish technical advice to the public assistance agency in connection with the determination of incapacity. Progress has been slow in meeting problems of disability encountered in connection with this program, as in other programs.

Other Eligibility Requirements

Changes in residence requirements of the States have been few but definitely liberalizing; in the country as a whole, however, many otherwise eligible applicants are unable to obtain assistance because they cannot meet such requirements in the State where they are living. In a few instances provisions regarding temporary absence from the State have been liberalized to permit continuance of aid while the recipient is out of the State.

No changes have been made in the requirements for citizenship, which is necessary under 37 of the 94 approved State plans for old-age assistance and aid to the blind. A few States have broadened the coverage of plans for aid to the blind by eliminating minimum age requirements, which previously had been set at ages ranging from 16 to 21 years. Provisions regarding limitations on the property of

applicants have also remained substantially unchanged, though some States have liberalized previous requirements for liens on the property of recipients or claims against the estates of persons who had received assistance.

Federal funds may not be used toward payments to persons who reside in public institutions. Although some States disqualify, by law or administrative policy, residents of private institutions, there has been a tendency toward the elimination of these restrictions. Decision as to the public or private character of an institution has raised problems in both Federal and State administration which are being clarified with the aid of definitions issued by the Board during the previous fiscal year.

Evaluation and Planning

Appraisal of public assistance under the Social Security Act entails continuing study in fulfillment of the specific administrative responsibilities and also the general responsibility imposed upon the Board under the act for study and recommendation of further measures for economic security. In meeting these responsibilities the Board must assure itself that administration of the State programs accords with both the State plan and the Federal requirements and is guided by policies which will continue to make the programs more effective for the groups for which they are intended. The required review by the Board of any modification of an approved State plan serves not only to fulfill the Board's responsibility for assuring conformity with the Federal act but also to provide an opportunity for joint consideration by the Board and the States of the present operation and future development of the public assistance programs. Appraisal must also be made of the basic relation of these programs to other public measures for persons in need and to other public services, and of the place of the assistance programs in the general social and fiscal structure of the State.

Review of State and Local Administration

During the past fiscal year a continuing review of State and local administrative procedures and operations has been instituted as a method of ascertaining that operation of a State public assistance program is in conformity with provisions of the approved State plan.

This review constitutes an integral part of the field activities of the Bureau of Public Assistance, under the direction of the Bureau's regional representatives. In the formulation of regional plans, State agencies are consulted with respect to the selection of local agencies,

methods to be used in reviewing local practices, and adaptations of schedules necessary to cover special problems within the States.

Although many aspects of administration need to be considered in evaluating administration, the ultimate test is the treatment accorded to applicants and recipients. Any review of a State program must therefore include some measurement of the extent to which recipients are eligible, the extent to which all eligible persons have an opportunity to make application and receive assistance, and the effectiveness of the State and local administrative processes to carry out these objectives. Since it was necessary to limit the immediate scope of the review to feasible proportions, the plan adopted in July 1940 places primary emphasis upon the administrative processes directly related to taking applications and determining eligibility, as evidenced by individual case records, by observation of the functioning of a number of local agencies in each State, and also by a review of the operation of the State agency as it affects eligibility. Initially, periodic audits were made of all payments to recipients under approved plans as a means of checking eligibility and the computation of the Federal grant. The fiscal audit of individual payments is now made on a sampling basis.

Although the administrative review has placed emphasis upon eligibility of recipients of public assistance, it differs from the audit process in several important respects. The review emphasizes evaluation of general practice rather than action in individual cases, although samples of case records are read. Individual payments which are outside the limits of the State plan are called to the attention of the State for adjustment, but the primary concern is to determine whether, on the whole, the State is complying with the eligibility provisions of its plan and with Federal requirements. The underlying causes of any deviations from the State plan are stressed, rather than the mere fact of deviation, and efforts are made to assist the State in making corrections. The operation of State plans is studied in relation to applications rejected as well as to those approved, to determine whether eligibility provisions are applied uniformly to all applicants. Emphasis is placed upon present practice rather than past performance.

Methods of investigating and verifying eligibility have been found, in general, to be in accordance with plan provisions. Questions raised in the review of recently approved applications related almost entirely to the determination of need and in most instances were traceable to incomplete formulation of State policy or to incomplete recording by the local agency. The review of basic eligibility provisions has had the important result of bringing to the attention of State agencies policy statements which were ambiguous or no longer applicable and policy provisions on which insufficient interpretation had been pro-

vided. In some case records, absence of evidence of reconsideration of eligibility raised a question as to the practices of local agencies in ascertaining continuing eligibility of recipients after the initial approval of assistance. State agencies have shown eagerness to discuss the information obtained and to utilize it in the development of their programs.

Analysis and Planning

The continuing review of State and local administration constitutes only one of several measures which have been developed to enable the Social Security Board and the States to evaluate the current status and consider the future development of the programs of public assistance. The Board receives periodic reports on operations under the programs not only from States with approved plans but also, on a voluntary basis, from States not now administering Federal funds for aid to the blind and aid to dependent children. Since evaluation of the programs for the special types of public assistance must take into consideration other public programs for persons in need, the Board also receives voluntary reports on general relief in all jurisdictions in the continental United States and exchanges information with other Federal agencies which administer related assistance or work programs in behalf of persons in need. Statistical and other information compiled from these various reports is made available to State and local public assistance agencies through regular publication in the Social Security Bulletin. These agencies are able, therefore, to consider the interrelationships of all programs within their own borders and in some degree to compare their experience under a particular program with that of other jurisdictions. These data and the information obtained from special studies and field surveys also provide the bases for analysis of particular aspects of operation and general considerations common to many or all States.

Recipients and payments.—In addition to the regular monthly reports on numbers of recipients and amounts of assistance, the States have reported annually for several years on the characteristics of the recipients added to or removed from the assistance rolls during the year; these reports supply information on the age, race, sex, living arrangements, and other characteristics of persons in these groups and the amounts of payments initially approved for accepted applicants. Such information, in which no marked change is apparent from year to year, is now sufficient to provide a reasonably complete picture of the groups of persons who enter or leave the program. In the past fiscal year, therefore, reporting of these data has been considerably simplified, and reporting of information of greater current importance

has been initiated. Semiannual reports are now made by the States on the individual amounts of all payments to recipients. This information helps to show State policies in the use of available funds: whether, for example, most payments are for about the same amount or whether there are wide differences in individual amounts in accordance with the varying needs of recipients. The distribution of the amounts of all assistance payments in a State gives a far more informative picture of the actual levels of assistance provided than does the figure for only the average payment in a State.

Services to recipients.—Among the problems to which particular attention has been given during the year is the need for adequate medical care among recipients of public assistance, who belong to age and income groups in which sickness and disability are frequent and who have, in general, no resources to meet the costs of sickness. Basic studies on the incidence and costs of sickness and disability and on methods of providing medical services and hospitalization needed by assistance recipients and other groups in the population are outlined in chapter V. Mutual interest of the Board and the State agencies in the prevention of blindness and in services for the blind has led to continuing studies in this field. During the past fiscal year an extensive study on the causes of blindness was initiated in consultation with technical experts, including representatives of national agencies concerned with this subject. Field surveys are also being made to study specific agency policies in aid to the blind and their effect on applicants and recipients; agency practices for determining need, including the consideration of income and resources; and the agency's utilization of other community services for the visually handicapped.

Analyzing staff time.—As a means of enabling both the Board and the States to evaluate certain aspects of public assistance administration and to make the best use of existing resources, consideration has been given to methods of recording and analyzing time spent by public assistance personnel in the various activities and functions relating to the programs. Such information is important not only for the efficient use of personnel for present operations but also for planning future developments within the means at an agency's disposal. The research of the Board in this area has resulted in the publication of a manual outlining time-study methods which States may adapt to their particular needs for information.

General relief.—The close relation of general relief to the special types of assistance has required continuing examination of the scope and nature of that program. An extensive study of the administration of general relief in 1940 was made on the basis of information supplied by State assistance agencies. This study provided informa-

tion on the types of State and local agencies administering the program and their respective supervisory responsibilities; on the division of financial responsibilities between the States and the localities, which carry by far the largest part of the burden; and on the forms of relief provided. Further analyses are contemplated of changes in responsibility for administration of this program, methods used in the States to obtain funds for general relief, and interrelationships between the financing of this program and the State programs for the special types of public assistance.

Financial and economic factors.—Other fiscal studies have been concerned with the division of financial responsibility for the special types of public assistance among Federal, State, and local funds and the methods employed in the States for obtaining assistance funds from general or special taxes or other sources. Attention has been given also to costs of administering the special types of assistance and general relief. Reasonably adequate information on administrative costs has become available only within the last year and must be interpreted with regard for the various types of administrative organization and the differing combinations of administrative responsibilities in the States. In some States, for example, agencies which administer the special types of public assistance are responsible also for general relief; in others, the programs are separated. Analysis of these and other factors has been necessary to determine appropriate allocations of costs for the several functions which may be performed by the same staff.

Of special pertinence to public assistance problems have been the general studies, made by the Board over a period of several years, of the relative economic capacities of the States, State per capita income and income distribution, and tax resources of State and local governments. Such information is essential for consideration of the need for assistance within an area, the extent to which this need is met, and the relation of assistance programs to other essential functions of State government. These studies have provided the basis for the Board's recommendation that special Federal grants, in addition to the basic 50-percent grants, be made to the poorer States in accordance with objective measures of the varying economic capacities of the States. They also have led to the Board's belief that Federal grants should be made to the States, in accordance with similar principles, to aid in the maintenance of adequate programs of general assistance.

.V.

Management and Planning

EXPANSION OF ACTIVITIES necessitated by the development of the operating programs reviewed in preceding chapters of this report influenced the volume and character of the management and planning functions of the Social Security Board as notably during the last fiscal year as in previous periods. Problems of management involved in recruiting personnel, providing office space, and maintaining essential services were intensified by exigencies of the defense program, while facilities available for the performance of these functions were called upon to serve an increasing volume of demands. The content, if not the volume, of research, planning, and informational services was similarly affected by developments arising in part from needs associated with the defense effort and in part from an intensification of concern with the adequacy and basic objectives of existing measures for economic security, reflected by requests for data and analyses to be used in investigations by committees of the Congress and in numerous other connections.

Activities relating to the establishment and development of merit systems for State personnel concerned with the employment security and public assistance programs, as required by the amended Social Security Act for Federal approval of State laws and plans, placed heavy responsibilities upon the staff of the Board, as in the year preceding. There was continued improvement in performance of general management functions of the Board and in attaining specific objectives in research and planning. The following brief survey of such areas of activity relates in particular to services maintained, in collaboration with the program bureaus, by the Office of the Executive Director, the Office of the Actuary, the Bureau of Accounts and Audits, the Bureau of Research and Statistics, and the Informational Service.

Organization and Management

The pattern of administrative organization resulting from changes made during the fiscal year 1939-40, which were entailed by provisions of the Social Security Act Amendments of 1939 and the creation of the Federal Security Agency under the President's Reorganization Plan

No. I, remained basically unchanged at the end of the last fiscal year. With minor exceptions, the allocation of functions to the several bureaus and offices shown in the functional chart facing p. 159 is the same as that described in the Board's Fifth Annual Report. Additional duties were assigned to the Board's 12 regional directors during the latter part of the fiscal year, when they were designated by the Administrator of the Federal Security Agency as regional defense coordinators to act as chairmen of the regional advisory councils which had been established to coordinate the work of the regional and field staffs of various governmental agencies concerned with health, welfare, and related defense activities, and to maintain the relationships in these fields with the State defense councils in their regions. Other notable changes during the year represented further steps in the decentralization to field offices of certain activities involved in the handling of claims for old-age and survivors insurance benefits, and in the consolidation, within the operating bureaus for employment security, old-age and survivors insurance, and public assistance, of research and other service functions associated directly with these programs.

Personnel Management and Training

Formal transfer to the Office of the Administrator of the Federal Security Agency of the staff in the Office of the General Counsel and in the personnel and printing and duplicating divisions of the former Bureau of Business Management was effected on July 1, 1940. Prior to that date these employees had been paid from Social Security Board funds but for some months had been attached to the Office of the Administrator. Personnel of the Board, including these employees, totaled 12,164 as of June 30, 1940. Additions to the staff during the last fiscal year offset the effect of these transfers, and by June 30, 1941, the total was 12,682. The net increase in total personnel accounts for only a small fraction of the personnel actions necessitated during the year in recruiting new employees, especially for the Bureaus of Employment Security, Old-Age and Survivors Insurance, and Public Assistance, and filling vacancies created by absence of employees on military leave, transfers to other agencies, and the abnormal turn-over of personnel resulting from other factors associated with the defense program. Despite increased difficulty in obtaining personnel, it was possible to establish more exacting personnel policies and standards.

Intensive induction and in-service training programs for Board employees were continued during the fiscal year. Basic training and orientation courses and special training activities were continued, and

a special brief course in the use of the telephone was given. Training activities related to administration of the old-age and survivors insurance program were transferred to the Bureau of Old-Age and Survivors Insurance. A training section was established in the office of the Director of that Bureau to provide facilities for familiarizing employees with administrative rules and regulations, use of operating manuals and procedures, and statutory provisions applicable to the program. Study was made of all staff-development activities to ensure their integration into the work of the Bureau and to appraise their value in terms of the objectives for which they were undertaken. The growth in the numbers and duties of field personnel has given rise to an increased need for training materials of a technical nature. Handbooks and instruction manuals are provided on all phases of field activities related to wage records and benefit claims. Instruction is also provided to regional and field personnel through conferences, lectures, discussions at regional and field meetings, and distribution of training materials. Supervisors gave specific training in individual job performance to personnel of the Washington and Baltimore offices of the Bureau, supplemented by classroom instruction, covering mechanical operations, coding, searching, filing, and many other functions. Manuals of procedures for all such operations have been developed to simplify instruction and to indicate standards of performance. Personnel concerned with adjudication of claims also receive special training, and conferences, meetings, and practice in claims adjudication help to effect mutual understanding of administrative and claims problems on the part of central-office and field personnel.

Business Management Services

Steadily increasing work loads, together with shortages of personnel and abnormally high turn-over rates, have necessitated constant attention to improvements and simplifications in performance of business management functions assigned to the Office of the Executive Director. These services include replies to nontechnical inquiries; maintenance of drafting, filing, mail and messenger, stenographic, and passenger traffic services; procurement, property, and space control; publications distribution; and library services and facilities. Important savings were effected, for example, by eliminating photocopies of certain types of letters referred to State agencies; by returning requests for publications with the materials sent in response to the requests, instead of filing them; by having the Government Printing Office store and mail certain types of publications previously handled within the Board offices; by substituting form purchase cards for requisitions

formerly used for purchase of books; by simplifying form replies to inquiries; and by inaugurating a dispatch mail service in partial substitution for telegraph services.

The difficulty of providing adequate office space for Board employees in Washington and Baltimore was intensified. In response to a request by the Committee on Appropriations of the House of Representatives, a study was undertaken to determine the feasibility of moving the offices of the Bureau of Old-Age and Survivors Insurance out of the Washington area. At the end of the fiscal year consideration was being given to a number of possible plans, among them a proposal to negotiate for a new building in Baltimore to house both the Washington and Baltimore staffs of the Bureau. At the close of the fiscal year, Board offices in Washington, including three offices of the Employment Center of the District of Columbia, occupied a total of nearly 471,000 square feet. All but 8,500 square feet of this space is rented, at an annual cost of more than \$439,000. The offices in Baltimore occupy 292,000 square feet of rented space, at an annual cost of nearly \$145,000. Elsewhere, nearly 600 units of office space comprising 674,000 square feet were required for the 12 regional, 2 Territorial, 477 field, and 13 branch offices, and for 63 units occupied by veterans' and farm placement facilities of the United States Employment Service. Of this space 402,000 square feet are rented, at an annual cost of nearly \$484,000.

Library services for the staff of the Board and the Office of the Administrator and limited services for other Federal agencies in Washington required a full-time staff of more than 25 persons during the year. Library activities included maintenance of a collection of nearly 150,000 books, pamphlets, and bound periodicals and legislative documents; replies to nearly 10,000 reference questions on all aspects of the social security program and related subjects; distribution of 124,000 copies of legislative documents; a circulation of books, periodicals, and pamphlets aggregating more than 115,000; preparation of numerous bibliographies and lists of source materials; publication of a comprehensive list of subject headings on social security and related topics which has been in preparation for nearly 4 years; and provision of advice and guidance on technical library problems requested by personnel of State employment security and public assistance agencies. The foreign document exchange which had been maintained as a routine activity was considerably expanded during the year as a result of increasing interest in the social security program on the part of governmental agencies, universities, research centers, and other institutions and organizations in foreign countries, especially in Central and South America. In spite of war conditions, exchange

arrangements have been maintained with institutions in all parts of the world, including belligerent countries.

Financial Management

Continued progress was made during the past fiscal year in improvement of accounting and auditing services. Emphasis was laid on training activities to increase effectiveness in the performance of these functions. In conferences with the field staff, for example, arrangements were made for comprehensive discussions, led by representatives of the Bureaus of Employment Security and Public Assistance, on developments in these programs, on technical problems in the conduct of audits in the State agencies, and on information of administrative value which comes to the attention of auditors in the course of their work. Other activities included the completion of manuals of instruction covering audits of grants made for the administration of State employment security agencies, administrative expenses of State public assistance agencies, and expenses of joint merit systems.

Procedures for the accounting control of expenditures by the Social Security Board, with respect both to direct payments by the Board and to grants certified to the States, were continued without substantial change. Procedures for processing public assistance grants were simplified. There was a marked increase in the volume of work involved in the administrative audit of Board expenditures, despite improvements and reduction in the number of forms used. More than 66,000 vouchers were audited and scheduled; in the preceding fiscal year there had been less than 51,000.

By the end of the year, auditing the administrative accounts of State employment security agencies required only 0.57 man-hours for each \$1,000 of expenditures audited, approximately one-fifth of the average of 2.77 hours required during the first 2 years in which the program was in operation. During the fiscal year, detailed surveys were made of the accounting systems and fiscal procedures of 41 State agencies with respect to funds made available for administration for the budgetary period January 1-June 30, 1940. In current audits a review is being made of inventory controls of furniture and equipment installed by State employment security agencies, and regional auditors have been made responsible for assuring that State records of such property are adequately maintained.

Further steps also were taken during the year to improve the effectiveness of auditing public assistance expenditures. Plans were formulated for establishing standards of time required for public assistance audits. Constructive accounting services, including advice and assistance in devising and installing accounting systems and in

making surveys of accounting procedures, were provided on request to public assistance agencies in nine States during the year. In addition, consultative services on a wide range of problems were provided to State agencies in connection with other financial aspects of public assistance.

Standards of Public Administration

The responsibility placed upon the Social Security Board for maintenance of adequate standards of administration in social security programs for which it certifies grants of Federal funds to the States has continued to represent a major field of activity, involving further development and extension of advisory services and technical assistance to State agencies. The new standards for administration of cooperative Federal-State programs imposed under the Social Security Act Amendments of 1939, particularly those relating to merit systems of personnel administration, have continued to present complex and difficult problems for the solution of which new techniques in Federal-State relations have been developed. The formulation and uniform application of general principles and standards, with necessary allowance for latitude in the adaptation of these principles and standards to different needs of the States, involve a wide range of activities many of which are outlined in other sections of this report. The Board has always held the conviction that adequate administration of the State provisions and full conformity with the objectives and requirements of the Federal legislation depend on the use of objective standards for the selection and maintenance of competent personnel. This conviction has found expression during the past fiscal year, as in previous years, in the special emphasis placed on activities related to establishment, operation, and improvement of merit systems for personnel administration. Although progress in this field during the year was slow and somewhat uneven, the net advance in the development of State personnel administration was substantial.

Merit-System Organization

As of June 30, 1941, all jurisdictions had merit systems covering employees of State and local social security agencies. In 6 States and 1 Territory the civil-service system covers all employees in these agencies. One additional State will be added to this list on July 1, 1942. In 9 States, the employment security and public assistance employees at the State level are included in the State civil service, and special arrangements have been made for the administration of a merit system for the county public assistance

employees by the State civil-service agency or a separate merit-system organization. Two States have limited civil-service systems, established on a State-wide basis but including primarily only the agencies receiving Federal grants-in-aid under the Social Security Act. Pennsylvania will come into this category when a recently enacted bill becomes effective. Twenty-one jurisdictions have joint merit-system councils established specifically for the social security agencies, including in 17 of these jurisdictions the public health agency also. Two of these systems were established by statute in 1941 after separate systems had been set up administratively. Some of these organizations have joint merit-system rules, while some have separate rules for the participating agencies with the same council and supervisor. Eleven States have separate merit systems for the employment security and public assistance agencies. In 3 cases, the public assistance personnel are included in joint systems which cover the public health departments.

In the interest of economy and efficiency, the Social Security Board has strongly urged the establishment of joint merit systems to serve all agencies receiving Federal grants-in-aid. In States with State-wide civil service, the Board has recommended inclusion of the social security agencies in the general State system. When States have not set up joint merit systems, the Board has strongly urged that at least widely applicable examinations, such as those for clerical positions, be held jointly to avoid public inconvenience and undue expense.

The cooperation of the Social Security Board with State public assistance and employment security agencies, and with civil-service commissions when they exist, has facilitated the development of more realistic classification and compensation plans, and further cooperation of this character is contemplated in a number of States in the coming year. Considerable difficulty has also been encountered by many of the States in correcting wide disparities in compensation for like positions in different agencies. In a number of States, for example, salaries of public assistance personnel are considerably lower than those of personnel of employment security agencies.

Merit-System Activities in 1940-41

Before the end of the fiscal year 1940-41, all States had adopted rules and regulations for implementing Federal standards for personnel administration on a merit basis, had determined the type of merit-system organization to be established, and had appointed merit-system councils. The conduct of classification surveys and the establishment of classification and compensation plans had been

completed, when necessary, as a preliminary to examination programs. During the year, attention was centered on the conduct of initial examination programs, which were completed in a majority of the States before June 30, 1941. Substantial aid was given to nearly all the States during the year by the State Technical Advisory Service, maintained in the Office of the Executive Director of the Social Security Board, which carries major responsibility for this aspect of the Board's functions. In addition to field services rendered by personnel and examination consultants and technical assistance given during the course of the examination programs, arrangements were made for a series of training conferences for State merit-system supervisors and technical assistants, and a substantial body of sample examination material was compiled and made available to the States at their request. This material, which included practical questions relative to technical administrative positions in unemployment compensation, employment service, public assistance, accounting, and statistical work, as well as clerical, typing, dictation, and performance test material, was used, after adaptation by the States to their specific needs, for examinations for 1,159 classes of positions in 45 States. Supplying test material of these types to the States made possible substantial savings to the State agencies in examination costs.

The impact of the national defense program and increasing employment in industry made it necessary for many States to engage in almost continuous examining programs. Initial registers for many classes of positions were quickly depleted as a result of rapid turn-over of personnel and, in the case of employment security agencies particularly, by the expansion of staff for activities connected with the defense program. The necessity to formulate policies and regulations governing the status of employees of State social security agencies called into military service and procedures for the appointment of substitutes for such employees imposed additional burdens on personnel already confronted with complex problems involved in the development and application of classification and compensation plans, attendance and leave regulations, policies and procedures relating to hearing of appeals, regulations governing handling of reductions in force, and other aspects of personnel administration.

Many bills relating to personnel in the State social security agencies were introduced in State legislatures. Before the legislatures convened, staff members of the Board, cooperating with the Office of the General Counsel of the Federal Security Agency, reviewed existing laws affecting State personnel and formulated legislative recommendations which were made available to the agencies through the regional offices. These activities involved an examination of general statutory

authority to establish merit systems and authority with respect to such specific points as tenure, residence requirements, and the establishment of plans for compensating employees. Nearly 1,400 bills introduced in the 1941 sessions of State legislatures were reviewed, including bills to establish or amend State-wide civil-service systems and those relating to personnel called into military service, discrimination, prohibition of educational requirements, extension of veteran preference, establishment of retirement systems for public employees, requirements of State and local residence, and establishment of classification and compensation plans, as well as proposed revisions of the personnel sections of the public assistance and employment security laws.

A favorable public attitude toward civil service was indicated by the fact that in three States constitutional amendments were passed during 1940 to provide for State-wide civil-service systems. In several other States existing civil-service provisions were extended to cover groups of State or local employees not previously included, or the statutory authority for such provisions was clarified and strengthened. The year witnessed subtle but important changes in the attitude of State officials generally toward personnel merit-system standards. Challenging questions as to the necessity for such standards gave way increasingly to recognition of the merit system as an essential to sound administration, and to concern with organization and methods. Even in States where the spoils tradition is still strong, it is recognized that the initiation of merit systems has improved the caliber of personnel in social security agencies.

Since the administration of personnel on a merit basis is a matter of dynamic operations rather than of mere formal installation, plans have been made for the conduct of periodic reviews of correct merit-system and agency personnel practices. Such reviews will, it is hoped, provide measures for objective evaluations of the systems. The reviews will permit the Board to certify as to compliance with the requirements under the Social Security Act and will also result in suggestions for improved and more economical administration of the personnel functions. During the fiscal year the pressure of consultation incident to the installation of merit systems prevented the conduct of reviews except in States where the regional staff felt that there was urgent need for a survey of personnel operations.

Research, Analysis, and Planning

A major organizational change in the assignment of functions relating to research and statistics was effected during the year with the transfer of the public assistance activities of the Bureau of Research

and Statistics to the Bureau of Public Assistance; primary responsibility for the research and statistics functions in the fields of employment security and old-age and survivors insurance had been transferred previously to the respective program bureaus. At the same time the functions of the Bureau of Research and Statistics were redefined, to clarify and broaden the Bureau's responsibility for basic research beyond the immediate fields of the operating programs and for coordinating research. The functions of this Bureau include study of financial and economic aspects of the social security program as a whole, methods of financing the program, investment of trust funds, grants-in-aid policies, and their economic implications; analysis of the characteristics and effects of the interrelationships of Board programs and other social insurance and social welfare programs, and special problems arising from such relationships; and examination of further developments toward social security, such as health and disability insurance and the provision of medical care. To the Bureau of Research and Statistics was assigned responsibility for the maintenance of a continuing general review of the research and statistics programs of the several bureaus and offices of the Board concerning their adequacy as to objectives, scope, methods, and results, and for their integration as the research program of the Board. The Bureau continues to carry primary responsibility for the planning and preparation of the Board's Annual Report, the Social Security Bulletin, and the Social Security Yearbook.

A further step in the coordination of research and statistics activities was the establishment of a research committee under the chairmanship of the Director of the Bureau of Research and Statistics, with representatives of each of the bureaus and offices. This committee is to examine periodically the adequacy of the Board's research and statistics program in relation to the general statutory obligations of the Board and operating requirements of the several bureaus, and to consider proposed research and statistics projects and any necessary reallocation or adjustment of such projects to prevent duplication among the bureaus and offices. The committee is also responsible for examining the general liaison relationships with respect to research maintained between the bureaus and offices of the Board and the Federal Security Agency and other Federal and nongovernmental agencies.

Substantive results of research activities during the fiscal year have been incorporated in sections of this report devoted to review and appraisal of specific operating programs and of the setting of the program as a whole. The following paragraphs, therefore, relate

only to other particular research and statistics activities and to general trends in these activities.

Old-Age and Survivors Insurance

Emphasis in research, statistical, and actuarial studies in the field of old-age and survivors insurance continued to be centered on analysis of program operations, with a view to indicating directions in which existing provisions should be clarified or strengthened. Particular attention was given during the year, as has already been indicated, to problems involved in adapting the program to situations created by the defense emergency, to questions of possible further extension of coverage, to administrative problems encountered in the adjudication of claims, and to the adequacy of benefits. In these connections, numerous proposed amendments to the old-age and survivors insurance provisions of the Social Security Act were examined, cost estimates were prepared, and technical analysis was made of problems which would be involved in the operation of such measures. Further progress was made during the year toward improvement in the quality of statistical data derived from operations under the program.

Long-range cost analyses and study of other financial aspects of old-age and survivors insurance constituted important continuing functions in this field. Studies have also been directed to the economic effect of the pay-roll tax and trust fund and to probable factors influencing the amounts of contributions collected. Material was prepared for use by the Chairman of the Social Security Board in connection with the annual report required of the Board of Trustees of the old-age and survivors insurance trust fund. These analyses require continuing review of financial operations under the program; study of population data, mortality records, trends in interest rates, claims experience, and wage data; development of graduation formulas and of techniques for applying them to social insurance and population data; and other types of actuarial and statistical activities.

Employment Security

In the field of employment security, as has been indicated elsewhere, major effort was of necessity devoted to the provision of adequate information concerning the labor requirements for national defense. The facilities which had previously been developed and maintained for the prompt collection and reporting of data under the employment security program proved readily adaptable to serve the urgent needs arising out of the defense effort. In addition to the extension of the reporting program to provide for the needs of the United States

Employment Service in connection with the recruitment of labor, some modifications were made in the statistical reporting program which either simplified certain reports or provided information on areas for which data had not been previously collected. An outstanding illustration of the extension of the reporting program is to be found in the semiannual report relating to appealed claims. Instructions were also issued to the State employment security agencies which brought the reporting of data on the payment of benefits for partial unemployment into line with the standards for such payments established by the Board effective July 1, 1941.

Continued attention was devoted to the analysis of problems of coverage, adequacy of benefits, interrelationships between unemployment compensation and other social insurance and social welfare programs, and contribution and benefit-payment aspects of the program. In studying the adequacy of benefits, extensive analyses were made of the experience under State laws and the effects of their various benefit formulas. Similarly, analyses were made of the results of experience-rating provisions of the States in which such provisions were effective during the calendar year 1940. Research was continued on questions of the solvency of unemployment compensation funds under existing and proposed provisions. A number of congressional proposals required the compilation of detailed estimates of the cost of benefits under various provisions. The solvency studies are also to be used in connection with the study of post-defense unemployment, so that adequate provision for the unemployed may be assured should widespread unemployment occur.

Public Assistance

There was continued progress in the development of statistical reporting and of special research projects in the field of public assistance relating to administrative costs and methods, adequacy of assistance payments, services to recipients, and fiscal practices. In these connections, extensive technical assistance was provided to the States by personnel of the Social Security Board.

Continuing studies of State economic capacity and fiscal practices were of significance to all programs administered by the Board and of particular pertinence to problems involved in evaluating present methods of allocating Federal grants and in financing public assistance within the States. A comprehensive revision of the compilations of basic data assembled for these purposes was continued, and on the basis of these data analysis of particular problems in this field was undertaken. Special emphasis was placed on such subjects as the operation and effect of various proposed formulas for sharing public

assistance expenditures; State-local fiscal relations and their bearing on the effectiveness of Federal grants-in-aid for public assistance, including detailed surveys of the situation in several States; the interaction of State revenue systems and Federal grants for public assistance; and available measures of State fiscal and economic capacity.

Health, Disability, and Medical Care

Problems related to health, disability, and medical care continued to receive attention during the year, particularly in their bearing on the social security programs administered by the Board and their relation to the need for additional social security measures. A study of available information indicative of the extent of economic insecurity incident to ill health and disability was continued during the year; further analysis was made and cost estimates and alternative specifications were prepared for specific legislative proposals in this field. These studies included detailed examination of American and foreign experience for information on the extent, duration, and frequency of temporary and permanent disability under various conditions and among various segments of the population; analysis of old-age and survivors insurance wage records and other data for information on the characteristics of groups affected by these hazards; and investigation of administrative problems and experience in workmen's compensation and other social insurance systems, with respect to such factors as benefit formulas, waiting periods, and methods of certifying disability.

An attempt has been made to obtain precise current data on the costs of medical care as a factor in economic insecurity, and consideration has been given to various proposed methods for providing more nearly adequate medical care, especially for groups affected by social security programs. Particular attention was centered during the year on the medical needs of recipients of public assistance and on provisions for meeting these needs. Cost estimates of various types of medical services for special groups have been prepared, and analysis of experience under various types of voluntary plans for prepayment of the costs of medical care, including hospitalization, has been continued to gauge the extent and nature of needed services and personnel.

Family Composition in the United States

With the continued authorization of Work Projects Administration funds for the study of family composition, first sponsored by the Board in 1938, further analysis was made of data from schedules of the National Health Survey conducted by the United States Public Health Service in 1935-36. In its research in the fields of health and dis-

ability, in the development of cost estimates and actuarial calculations needed for appraisal of proposed amendments to the Social Security Act, and in the performance of many related functions, the Board has drawn heavily upon this study for information on family structure, size, and income, dependents of wage earners and their age, sex, and relationship to the wage earner, and other related factors. Data derived from this study were also used extensively during the year in preparing material requested by congressional committees and other Federal agencies, including estimates of the numbers of orphans and widows, of the number of children potentially eligible for aid to dependent children, and of the resources of the aged; estimates relating to the marital status of the population subject to the provisions of the Selective Training and Service Act; and analysis of data on employment and unemployment. A series of compilations of detailed statistics of family composition in selected areas of the United States, based on data from this study, was initiated and partly completed during the year.

Integrating Information on Social Insurance

Further progress was made during the year in the survey of available sources of information on beneficiaries and payments under social insurance and related programs in the United States. The compilation and analysis of periodic statistics on such programs were extended to include data on operations under retirement programs administered by the United States Civil Service Commission. Preliminary work was completed on the development of comprehensive estimates of benefit payments under workmen's compensation systems in the United States, and further consideration was given to the compilation of data on benefit payments under the many hundreds of State and local retirement systems now in operation. Of importance to the Board's work in the compilation of summary statistics on social insurances and related public programs is analysis of the relationship of insurance and assistance payments to total income payments of all types, which was continued during the year.

Coordinating Research

Many technical and research activities of the Social Security Board are closely related to the work of other Federal agencies. In these areas the Board has maintained close collaboration with research and statistics personnel of such agencies and has integrated its own activities with those being carried on elsewhere. Representatives of the Board have participated in the work of a number of interagency committees formed to deal with problems of common interest or concern—

for example, the Committee on Farm Labor Statistics organized by the Division of Statistical Standards of the Bureau of the Budget to formulate recommendations for improvement of agricultural labor statistics. Special attention was given during the year to recommendations with respect to plans for tabulating 1940 census data and to problems involved in preparing estimates of employment and unemployment. In addition, many special services and activities have been undertaken in behalf of committees of the Congress and of other Federal agencies in areas in which the Social Security Board has special experience or recently available information. Among the agencies with which close collaboration has been maintained or for which substantial services of these types have been provided during the year are the Railroad Retirement Board, the Division of Statistical Standards of the Bureau of the Budget, the Bureau of Internal Revenue and other units of the Treasury Department, the Work Projects Administration, Civil Service Commission, Securities and Exchange Commission, National Resources Planning Board, Selective Service Administration, Veterans Administration, and many offices of the Departments of Agriculture, Commerce, Justice, Labor, Post Office, and State.

Technical Publications

The operation of the social security program and studies of the Social Security Board have continued to provide a wealth of basic data and technical information of value not only to governmental agencies but also to business, education, and other groups concerned with social and economic data. Insofar as is feasible and desirable, the Board makes such information generally available by publication in the Social Security Bulletin, its official monthly periodical; in the Social Security Yearbook, an annual supplement to the Bulletin; and in the monthly Employment Security Review, the Unemployment Compensation Interpretation Service, and various types of special research reports and monographs. Among the more substantial special reports issued during the year are: "Old Age in Sweden: A Program of Social Security"; "An Outline of Foreign Social Insurance and Assistance Laws"; "Cash Benefits Under Voluntary Disability Insurance in the United States"; "Trends in Public Assistance, 1933-39"; "Old-Age and Survivors Insurance Statistics: Employment and Wages of Covered Workers"; a processed compilation, "Fiscal Capacity of the States"; two volumes in a series of compilations of statistics of family composition in selected areas of the United States, presenting data for Detroit and Boston; and the "Statistical Manual of the Social Security Board."

Publications of these types are distributed without charge to organizations and individuals with official responsibility for administering social security and related programs, and to organizations which maintain an exchange of technical information with the Board or otherwise assist its administrative operations. Technical publications of general interest are placed on sale by the Office of the Superintendent of Documents, Government Printing Office.

Public Information

The character of services to supply public information concerning the social security program was modified appreciably by developments in the operation of the program during the past fiscal year. In general, emphasis in activities of the Informational Service shifted further from concern with widespread understanding of the objectives and principles of the program toward attainment of specific objectives related directly to current problems of administration.

In the field of old-age and survivors insurance, for example, activities in the fiscal year developed almost entirely out of such administrative requirements as the need for improvement in the completeness and accuracy of wage reporting by employers, more general understanding of availability of survivors' benefits, wider knowledge of the availability of wage-record statements and of the new 4-year limitation for correction of incompletely reported wages, greater realization of the importance of holding only a single social security account number, and more thorough comprehension on the part of beneficiaries of the circumstances which require suspension of benefits, such as the return to covered employment.

Of major importance among informational activities during the year were those undertaken to meet the responsibilities of the United States Employment Service under the defense program. Extensive use of all facilities for public information was required to promote registration at local employment offices, particularly the registration of workers with skills needed in defense industries; to discourage unplanned migration of workers to defense areas; to increase employer confidence in and use of public employment offices; and to serve other informational needs related to defense functions of the Social Security Board. Special projects in this field included collaboration in the Nation-wide voluntary registration of workers who might be available for defense jobs, undertaken during March in all States; in efforts to encourage relaxation of restrictive hiring policies and discriminatory practices which tend to exclude qualified individuals from defense employment on grounds of race, sex, age, physical handicap, or na-

tional origin; and in efforts to promote the aims of the President's proclamation of National Employment Week. Continuing attention was given also to other aspects of the employment security program, including problems arising from the operation or installation of personnel merit systems in State employment security agencies and the inauguration of revised minimum standards for payment of partial unemployment benefits.

In the field of public assistance, emphasis was laid increasingly on provision of technical advice and assistance to State agencies in meeting needs for public information concerning their programs. Special attention was given during the year to problems involved in the establishment of personnel merit systems, and in the application of requirements of the Social Security Act pertaining to standards for determining need and safeguarding the confidential character of information concerning persons who seek or receive public assistance.

In all these activities, both the Social Security Board and the State agencies have had generous cooperation from the press, radio broadcasters, the motion-picture industry, and other channels of communication. Noteworthy also has been the cooperation of labor and employer organizations and other groups, particularly in the dissemination of information pertaining to defense objectives. An illustration of the extent of such cooperation was the reception accorded to a series of eight transcribed radio programs entitled "Jobs for America" which were prepared in Washington and made available to State employment security agencies for distribution to broadcasters. All or part of the series was broadcast by 418 radio stations in 47 States. Similarly generous cooperation was given by the press in connection with a series of eight cartoons depicting the employee's participation in activities relating to account numbers, claims, and benefit procedures under the old-age and survivors insurance program, which was made available in mat form with accompanying text and was published in approximately 1,500 newspapers with an estimated total circulation of 20 million. Film strips, exhibits, leaflets prepared for distribution by employers and labor groups, radio spot announcements, speeches, forums, and discussion meetings arranged with the cooperation of hundreds of labor organizations and other local groups, posters, display cards for streetcars and busses, and other mediums were utilized effectively in meeting demonstrated needs and specific requests for information concerning various aspects of the program.

Supplementary Data

July 1—October 31, 1941

Operations of the Social Security Board since the close of the fiscal year and certain activities of Federal and State agencies concerned with the social security program are summarized briefly in this chapter. More detailed data are available in current issues of the Social Security Bulletin.

Defense Program

The Social Security Board has continued to direct its attention to the varied problems of employment and unemployment created by the defense program, giving particular consideration to the Nation-wide need for workers in certain skilled occupations essential to the defense program and to unemployment caused by shortages of certain materials.

In July 1941, the 12 regional representatives of the Bureau of Employment Security were made acting chairmen of 12 regional labor supply committees established by the Labor Supply Branch, Labor Division, Office of Production Management, to coordinate activities for recruiting, training, and placing workers. These committees, which include representatives from labor and management as well as from other defense agencies, utilize the facilities of government, labor, and industry in the effort to assure an adequate supply of workers for the defense program and to provide suitable jobs for workers displaced by shortages of material.

To obtain information as far in advance as possible on the effect of shortages of materials in specific industries, plants, or communities, the Board initiated during October a program for anticipating the effects of curtailed production of certain commodities on the labor market. Personnel of the local employment offices visit plants whose operations will be affected by such curtailment to ascertain the number and type of workers to be laid off, the date of such lay-offs, the possibilities of converting the plant to defense production, the action being taken by the plant or community to care for displaced workers, and the possibility of absorbing displaced workers in other plants in the same labor-market area. A specific reporting procedure has been designed for this purpose so that appropriate action may be taken when

necessary to avert or mitigate the effects of large-scale lay-offs which might otherwise seriously disrupt the economic life of a community.

The regional labor supply committees also work in close cooperation with the Division of Contract Distribution, Office of Production Management. If investigation reveals that industrial plants affected by shortages of material can be adapted to defense production, the Division of Contract Distribution attempts to allocate suitable contracts. If conversion is not possible, the State employment offices register the displaced workers and refer them to openings in defense and other plants or, if necessary, arrange for their enrollment in training courses which will prepare them for specific defense occupations.

Men discharged from military service are receiving special attention from State employment offices. A reemployment committeeman appointed by the State selective service director acts as liaison and consultant between the soldier, his former employer, and the State employment service. The local employment offices assist directly in placing released men who are unsuccessful in obtaining reinstatement, those who were unemployed or in temporary jobs when they entered the armed forces, and men who because of occupational training while in military service hope to get better jobs or who for various reasons are unwilling to return to their former positions. Another direct means of aiding released soldiers was provided through the special defense referral offices that were established in October at each large camp, where full-time offices were operated to give immediate assistance to discharged soldiers in finding jobs if they had none upon their release from selective service.

At the request of the Civilian Technical Corps of the British Government, the United States Employment Service is helping to recruit workers for service in Great Britain as paid members of a noncombatant body of civilian craftsmen enrolled on a voluntary basis by the British Government to maintain and repair technical equipment used by naval, military, and air forces. Men needed in key defense jobs in American industries are not referred to the British Government, and arrangements provide for the return of American members at any time they are needed in the United States.

In all regions of the Board, family security committees are being appointed by the regional directors of defense health and welfare services as committees of the regional defense advisory councils to coordinate welfare services needed to meet problems created by expanding defense activities, both civilian and military. In eight regions, representatives of the Bureau of Public Assistance have been

appointed as chairmen of these committees. In one region the representative of the Federal Children's Bureau and in another a State commissioner of social welfare have been designated as chairmen. The work of these committees will include study of the needs of stranded or displaced families, the effects of increased living costs, and the problems attributable to selection of men for service and to the concentration of military and industrial activities in specific localities.

Administration

On August 7, 1941, the United States Senate confirmed the reappointment of George E. Bigge of Rhode Island as a member of the Social Security Board for a term expiring August 13, 1947. Mr. Bigge was first appointed on August 6, 1937, for the unexpired term of John G. Winant, who resigned.

Appropriations for carrying on the work of the Social Security Board during the fiscal year 1941-42 were provided in the Labor-Federal Security Appropriation Act, 1942, which was approved by the President on July 1. The act provides \$25.7 million for salaries and expenses of the Board; \$270.0 million for grants to States for old-age assistance; \$74.0 million for aid to dependent children; \$9.0 million for aid to the blind; \$62.5 million for State unemployment compensation and employment service administration; \$3.1 million for payments to States under the Wagner-Peyser Act; and \$1.5 million for selecting, testing, and placing defense workers.

At the request of the Arizona Employment Security Commission, after the effective date of newly enacted State legislation which precluded the State agency from fulfilling the requirements of the Wagner-Peyser Act, the Board, as of July 21, 1941, assumed responsibility for the operation of a public employment service in Arizona. This service is administered by the Bureau of Employment Security.

The personnel of the Board numbered 13,113 on October 31, 1941, an increase of 431 over June 30 which reflects expanding responsibilities under the defense program as well as increasing work loads in handling claims and benefits under the old-age and survivors insurance program.

Federal Legislation

The Revenue Act of 1941 allows further time within which a taxpayer may pay contributions into an unemployment fund under a State law and obtain credit against the Federal unemployment tax for the calendar years 1936-40. Credit is allowed on such contributions if paid into a State unemployment fund before the sixtieth day after

the enactment of the Revenue Act (September 20, 1941) and if a claim is made within 6 months of that date. Credit is also allowed on such contributions regardless of the date of payment with respect to wages for 1936-38 paid after September 19, 1939, or with respect to wages for all 5 years if the assets of the taxpayer are (at specified periods) in receivership or under the control of a court of competent jurisdiction. The maximum total credit allowable against the Federal tax is 90 percent.

Old-Age and Survivors Insurance

Monthly benefits payable to retired workers and their dependents and to survivors of deceased workers increased from \$6.8 million as of June 30, 1941, to \$8.2 million as of October 31, 1941. Of these amounts, 9.6 percent was in conditional-payment status on June 30, while 10.6 percent was in such status on October 31, reflecting an increasing tendency for retired workers and other beneficiaries to leave the monthly benefit rolls for covered employment. Increased employment opportunities probably explain also the decrease in claims received. Based on weekly averages, claims received in October from all types of claimants were 96.8 percent of the number received in June, while claims from retired workers in October were only 94.6 percent of the number received in June. Claims under the 1939 amendments received in the 4 months ended October 31, 1941, numbered 135,472, and 127,190 awards for monthly benefits or lump-sum payments were made in that period.

Some \$33.7 million was certified for payments during the period July 1-October 31. Of this amount, monthly benefits accounted for \$29.3 million, while lump-sum payments on behalf of workers who died leaving no one immediately entitled to monthly benefits totaled \$4.4 million. Lump-sum payments made under the provisions of the 1935 act, on behalf of workers who died before January 1940, amounted to \$46,258.

Taxes collected under the Federal Insurance Contributions Act and appropriated to the old-age and survivors insurance trust fund amounted to \$253.4 million in the July-October period, bringing the assets of the fund on October 31 to a total of \$2.6 billion, \$2.5 billion of which was invested in special Treasury notes.

Between June 30 and November 1, 2.7 million new employee accounts were established for the maintenance of workers' wage records, bringing the net total of employee accounts established to 58.6 million. The number of field offices in operation on October 31,

1941, was the same as on June 30—477. The number of branch offices remained at 13, but the office at Elgin, Illinois, was closed and an office at Santa Monica, California, was opened.

During the period July 1–October 31, the Bureau of Old-Age and Survivors Insurance received 853 requests from claimants for reconsideration of the facts involved in their insurance claims. In addition, 376 requests were made to the Appeals Council for hearings on disallowed claims. Of these appeals, approximately 94 percent related to benefit determinations and 6 percent to wage records. In this 4-month period, decisions were rendered in 276 cases heard by referees under the supervision of the Appeals Council, while the Council itself issued 43 decisions.

Employment Security

Placements in the 4 months following the close of the fiscal year continued their upward trend, with 546,000 jobs filled in September, the highest volume since December 1935. Complete placements numbered 2.1 million in the 4-month period, while supplementary placements, in which the employment service participated but did not itself perform all the functions, numbered 1.3 million. The active file of workers seeking jobs, maintained since March 1934, dropped to the lowest level on record; on October 31, 1941, only 4.2 million workers were registered.

During the summer months increased emphasis was placed on defense training courses to prepare inexperienced workers and recent school graduates for placement in professional, skilled, and semiskilled occupations. In July, August, and September, the employment offices referred a total of 101,300 persons for training in these courses and placed 25,100 trainees in jobs. There has been a gradual increase in the extent to which women have enrolled in woodworking, metalwork, and machine-shop courses.

Unemployment benefit payments continued to decline despite lay-offs resulting from shortages of materials and equipment. Benefit payments during the 4-month period were \$100.2 million, 43 percent less than in the corresponding period of 1940. The average number of workers receiving benefits in each week of the 4 months was as follows: July, 611,000; August, 680,000; September, 573,000; and October, 430,000.

Funds available for benefits increased, as would be expected with fuller employment resulting in both higher contributions and lower benefit payments. On October 31, \$2.4 billion was available for

benefits; of this amount, \$2.3 billion was held in the State accounts of the unemployment trust fund in the United States Treasury.

By October 31 the Social Security Board had certified a total of \$33.0 million for administration of State employment security programs for the period July–December 1941. Grants for administration of unemployment compensation under the Social Security Act accounted for \$31.5 million of this total, and grants for employment service under the Wagner-Peyser Act for \$1.5 million.

Public Assistance

Three State plans were approved after the close of the fiscal year. The Texas plans for aid to dependent children and aid to the blind were approved by the Board on September 26 and became effective immediately. An approved plan for old-age assistance had been in operation in the State since April 21, 1936. On October 28, the Board approved the Illinois plan for aid to dependent children, effective July 1, 1941; Illinois also has an approved plan for old-age assistance in operation. Of the 51 jurisdictions, including the 48 States, Alaska, Hawaii, and the District of Columbia, 42 are now administering programs for all three special types of public assistance under plans approved by the Social Security Board. Of the other 9 jurisdictions, 6 have approved plans for two types of public assistance, and 3 have approved plans only for old-age assistance.

Expenditures under approved State plans for payments to recipients of the three types of public assistance amounted to \$177.8 million in July–September. This amount represents payments from Federal, State, and local funds. Payments for old-age assistance accounted for the largest share, \$137.4 million; those for aid to dependent children totaled \$36.8 million; and those for aid to the blind amounted to \$3.6 million.

Recipients of old-age assistance numbered 2.2 million in September, a 1.7-percent increase over June. Families receiving aid to dependent children in September numbered 372,267. There were 50,421 recipients of aid to the blind in September.

By October 31, Federal grants to States with approved plans for public assistance had been certified to the Secretary of the Treasury for the period July 1–December 31, 1941, in the following amounts: old-age assistance, \$119.7 million; aid to dependent children, \$27.9 million; and aid to the blind, \$3.2 million. These grants include amounts for Federal participation in administrative expenses as well as in payments to recipients.

In the continental United States, payments to recipients of the special types of public assistance, including payments made under State plans without Federal participation, and to cases receiving general relief, subsistence payments from the Farm Security Administration, and earnings of persons employed under Federal work programs amounted to a total of \$158.6 million in September, a decrease of \$44.5 million from the figure for September 1940. It is estimated that public assistance and/or work-program earnings were received in September by 4.0 million different households comprising 10.3 million persons. The corresponding figures for September 1940 were 5.0 million households with 14.1 million members.

APPENDIXES

INTERNATIONAL SERVICE

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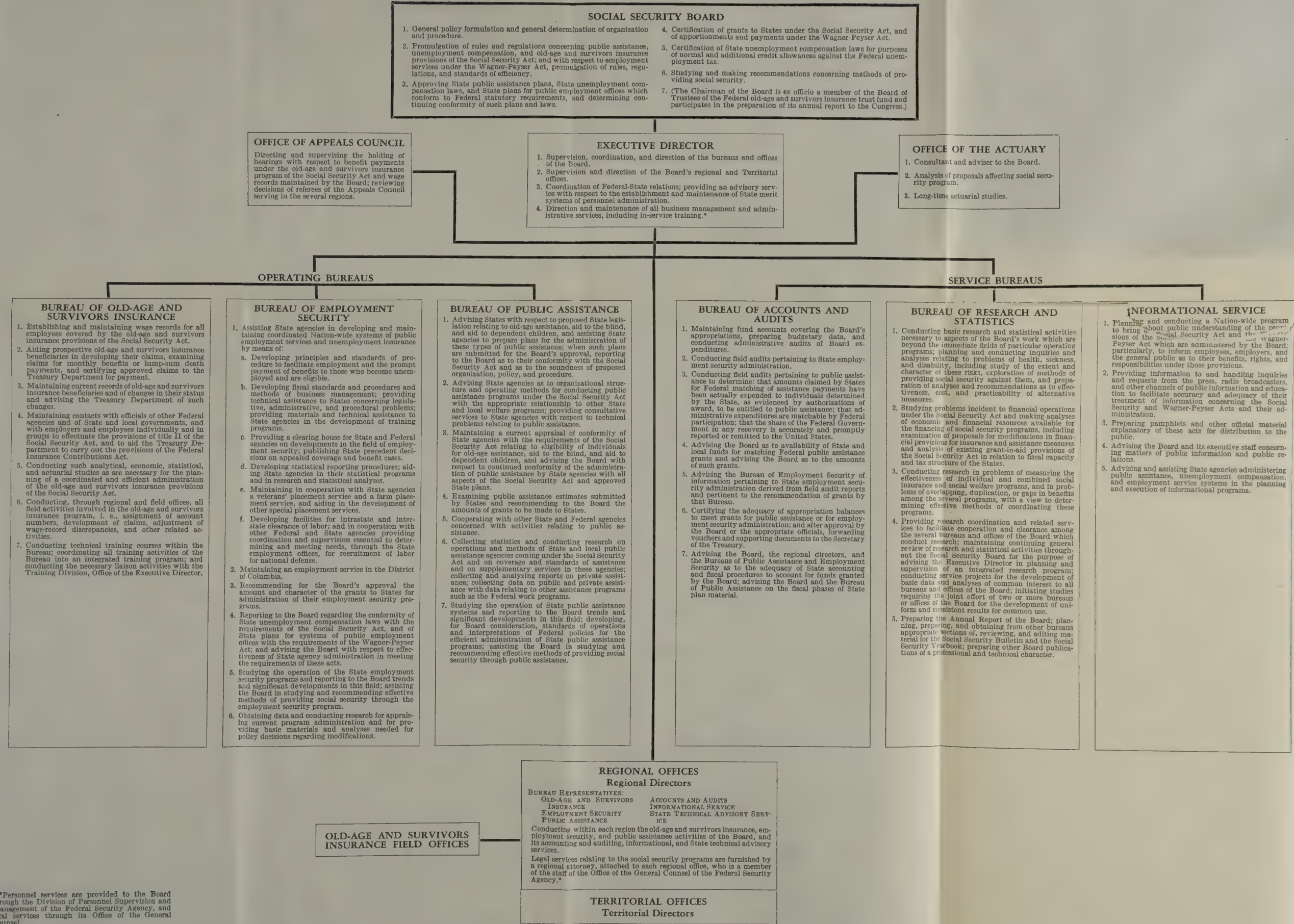
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Administrative Organization and Finance

General information on the organization of the Social Security Board, a chart showing the functions of its bureaus and offices, and lists of its regional and field offices are included in this appendix, with tables on Board employees (A-1), administrative expenditures (A-2), and advances certified to the States (A-4). Through the cooperation of the Treasury Department, tables are also presented on appropriations and expenditures under the Social Security Act and the Wagner-Peyser Act (A-3), financial operations of the old-age and survivors insurance trust fund (A-5) and unemployment trust fund (A-6, A-7), and collections under the Federal Unemployment Tax Act and the Federal Insurance Contributions Act (A-8).

Differences in source of data or timing of financial transactions account for slight variations in amounts appearing in these tables. Thus administrative expenses of the Board appear as obligations incurred in table A-2 and as checks cashed and returned to the Treasury in A-3; Federal grants to the States under the Social Security Act appear as advances certified by the Board in A-4 and as Treasury checks cashed in A-3; for similar grants under the Wagner-Peyser Act the fiscal-year amounts of advances certified (A-4) and Treasury checks issued (A-3) are identical. Figures for the old-age and survivors insurance trust fund (A-5) and unemployment trust fund (A-7) are on a checks-cashed basis.

Appendixes B, C, and D contain data on different stages or more inclusive financial operations of specific programs. Information on benefit payments under the old-age and survivors insurance program is given for payments certified by the Board (B-9) and payments in current, deferred, and conditional-payment status (B-6), while in A-5 figures for benefit payments represent checks cashed. State deposits in the unemployment trust fund (A-6) differ from State reports of collections (C-13) because of the time interval in making transfers from State clearing accounts to the fund in the Federal Treasury; State withdrawals from this fund for benefit payments (A-6) are not exactly equal to benefit payments (C-13) because States maintain balances in their benefit-payment accounts (C-13); total withdrawals from State accounts in the trust fund include, moreover, amounts transferred to the railroad unemployment insurance account (A-7); total funds available for benefit payments under State laws (C-13) represent the aggregate of sums in State clearing, benefit-payment, and trust fund accounts; approved budgets for administration of State employment security programs (C-2) represent Federal funds budgeted from amounts available under the Social Security and Wagner-Peyser Acts rather than advances certified (A-4) or checks cashed or issued (A-3) and include State and local funds on which Wagner-Peyser funds are conditioned. Payments to recipients of public assistance (D-7, D-8, D-9) are expenditures from Federal, State, and local funds, while Federal grants for these programs (A-4) are made on a matching basis and represent advances certified for the Federal share of administrative as well as assistance costs; administrative costs of the State programs appear in D-10.

Current data on the operations of all programs administered by the Board and on related social security measures appear monthly in the Social Security Bulletin and annually in the Social Security Yearbook. See page 206 for information on these and other publications.

ORGANIZATION OF THE SOCIAL SECURITY BOARD

Regional and Territorial Offices

Region

- I. Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut. Regional director: John F. Hardy, Social Security Board, 120 Boylston Street, Boston, Mass.
- II. New York. Regional director: Anna M. Rosenberg, Social Security Board, 11 West Forty-second Street, New York, N. Y.
- III. New Jersey, Pennsylvania, Delaware. Regional director: William L. Dill, Social Security Board, Juniper and Chestnut Streets, Philadelphia, Pa.
- IV. Virginia, West Virginia, North Carolina, Maryland, District of Columbia. Regional director: G. R. Parker, Social Security Board, Arlington Building, 1025 Vermont Avenue, Washington, D. C.
- V. Kentucky, Ohio, Michigan. Regional director: Robert C. Goodwin, Social Security Board, Euclid Avenue and East Ninth Street, Cleveland, Ohio.
- VI. Illinois, Indiana, Wisconsin. Regional director: Henry L. McCarthy, Social Security Board, United States Courthouse Building, Chicago, Ill.

Region

- VII. Tennessee, Mississippi, Alabama, Georgia, Florida, South Carolina. Regional director: Richard H. Lyle, Social Security Board, First Avenue and Nineteenth Street, Birmingham, Ala.
- VIII. Iowa, Minnesota, North Dakota, South Dakota, Nebraska. Regional director: Fred M. Wilcox, Social Security Board, Federal Office Building, Minneapolis, Minn.
- IX. Missouri, Kansas, Arkansas, Oklahoma. Regional director: Ed McDonald, Social Security Board, 1006 Grand Avenue, Kansas City, Mo.
- X. Louisiana, Texas, New Mexico. Regional director: James B. Marley, Social Security Board, North Presa and East Houston Streets, San Antonio, Tex.
- XI. Montana, Idaho, Utah, Colorado, Arizona, Wyoming. Regional director: Heber R. Harper, Social Security Board, 1706 Welton Street, Denver, Colo.
- XII. California, Oregon, Washington, Nevada. Regional director: Richard M. Neustadt, Social Security Board, 785 Market Street, San Francisco, Calif.

Alaska. Territorial director: Hugh J. Wade, Social Security Board, Territorial Building, Juneau, Alaska.

Hawaii. Territorial director: Robert W. Beasley, Social Security Board, Federal Building, Honolulu, Hawaii.

Field Offices, by Region and State, as of June 30, 1941

REGION I

Connecticut: Bridgeport, Hartford, Meriden, New Britain, New Haven, New London, Stamford, Torrington, Waterbury, Willimantic.

Maine: Augusta, Bangor, Lewiston, Portland.

Massachusetts: Attleboro, Boston (2), Brockton, Cambridge, Chelsea, Fall River, Fitchburg, Haverhill, Holyoke, Lawrence, Lowell, Lynn, Malden, New Bedford, Pittsfield, Quincy, Salem, Springfield, Waltham, Worcester.

New Hampshire: Concord, Littleton, Manchester, Nashua, Portsmouth.

Rhode Island: Newport, Pawtucket, Providence, Woonsocket.

Vermont: Burlington, Montpelier, Rutland.

REGION II

New York: Albany, Auburn, Binghamton, Buffalo, Elmira, Glens Falls, Gloversville, Ithaca, Jamestown, Kingston, Newburgh, New Rochelle, New York City (Manhattan, 3; Bronx, 2; Brooklyn, 2; Jamaica; Long Island City; Staten Island), Niagara Falls, Ogdensburg, Oswego, Plattsburg, Poughkeepsie, Rochester, Schenectady, Syracuse, Troy, Utica, Watertown, Yonkers.

REGION III

Delaware: Wilmington.

New Jersey: Atlantic City, Bayonne, Bridgeton, Camden, Elizabeth, Jersey City, Newark, Passaic, Paterson, Perth Amboy, Trenton.

Pennsylvania: Allentown, Altoona, Ambbridge, Chester, Du Bois,¹ Easton,¹ Erie, Greensburg, Harrisburg, Hazleton, Johnstown, Lancaster, McKeesport, New Castle, New Kensington, Norristown,¹ Oil City, Philadelphia County (Philadelphia; Germantown; Kensington), Pittsburgh, Pottsville, Reading, Scranton, Sharon, Turtle Creek, Uniontown, Wilkes-Barre, Williamsport, York.

REGION IV

District of Columbia: Washington.

Maryland: Annapolis,¹ Baltimore, Cumberland, Hagerstown, Salisbury.

North Carolina: Asheville, Charlotte, Durham, Fayetteville, Gastonia,¹ Goldsboro, Greensboro, Hickory,¹ High Point,¹ Raleigh, Rocky Mount, Salisbury, Wilmington, Winston-Salem.

Virginia: Alexandria, Bristol, Danville, Lynchburg, Newport News, Norfolk, Petersburg, Richmond, Roanoke, Staunton.

West Virginia: Beckley, Bluefield, Charleston, Clarksburg, Huntington, Logan, Martinsburg, Morgantown, Parkersburg, Wheeling.

REGION V

Kentucky: Ashland, Bowling Green, Covington, Frankfort, Hazard, Lexington, Louisville, Middlesboro, Owensboro, Paducah.

Michigan: Battle Creek, Bay City, Detroit and Wayne County (Detroit, 2; Dearborn; Highland Park), Escanaba, Flint, Grand Rapids, Jackson, Kalamazoo, Lansing, Marquette, Muskegon, Pontiac, Saginaw, Traverse City.

Ohio: Akron, Ashtabula, Canton, Cincinnati, Cleveland, Columbus, Dayton, Hamilton, Lima, Lorain, Mansfield, Marion, Nelsonville, Portsmouth, Springfield, Toledo, Warren, Youngstown, Zanesville.

REGION VI

Illinois: Aurora, Bloomington, Champaign, Chicago and Cook County (Chicago, 5; Cicero; Evanston; Harvey; Oak Park), Danville, Decatur, East Saint Louis, Galesburg, Harrisburg, Joliet, Mount Vernon, Peoria, Quincy, Rockford, Rock Island, Springfield, Waukegan.

Indiana: Anderson, Bloomington, Elkhart, Evansville, Fort Wayne, Gary, Hammond, Indianapolis, Kokomo, La Fayette, Muncie, New Albany, Richmond, South Bend, Terre Haute.

¹ Opened during fiscal year 1940-41.

Wisconsin: Eau Claire, Fond du Lac, Green Bay, Janesville, La Crosse, Madison, Milwaukee, Oshkosh, Racine, Sheboygan, Superior, Wausau.

REGION VII

Alabama: Anniston, Birmingham, Decatur, Dothan, Gadsden, Mobile, Montgomery, Tuscaloosa.

Florida: Gainesville, Jacksonville, Miami, Orlando, Pensacola, Saint Petersburg, Tallahassee, Tampa, West Palm Beach.

Georgia: Albany, Athens, Atlanta, Augusta, Columbus, La Grange, Macon, Rome, Savannah, Valdosta, Waycross.

Mississippi: Columbus, Greenwood, Gulfport, Hattiesburg, Jackson, Meridian, Tupelo,¹ Vicksburg.

South Carolina: Anderson, Charleston, Columbia, Florence, Greenville, Greenwood, Rock Hill, Spartanburg.

Tennessee: Chattanooga, Columbia, Dyersburg, Jackson, Johnson City, Knoxville, Memphis, Nashville.

REGION VIII

Iowa: Cedar Rapids, Davenport, Des Moines, Dubuque, Fort Dodge, Ottumwa, Sioux City, Waterloo.

Minnesota: Albert Lea, Bemidji, Duluth, Minneapolis, Redwood Falls, Saint Cloud, Saint Paul, Winona.

Nebraska: Alliance, Grand Island, Lincoln, North Platte, Omaha.

North Dakota: Bismarck, Fargo, Grand Forks.

South Dakota: Aberdeen, Huron, Rapid City, Sioux Falls.

REGION IX

Arkansas: El Dorado, Fort Smith, Harrison, Hot Springs, Jonesboro, Little Rock, Pine Bluff, Texarkana.

Kansas: Atchison, Dodge City, Goodland, Hutchinson, Independence, Kansas City, Pittsburg, Salina, Topeka, Wichita.

Missouri: Cape Girardeau, Clayton, Hannibal, Jefferson City, Joplin, Kansas City, Poplar Bluff, Saint Joseph, Saint Louis (2), Sedalia, Springfield.

Oklahoma: Antlers, Ardmore, Clinton, Enid, Lawton, Muskogee, Oklahoma City, Ponca City, Shawnee, Tulsa.

REGION X

Louisiana: Alexandria, Baton Rouge, Lake Charles, Monroe, New Orleans, Shreveport.

New Mexico: Albuquerque, Roswell, Santa Fe.

Texas: Abilene, Amarillo, Austin, Beaumont, Big Spring, Brownsville, Corpus Christi, Dallas, El Paso, Fort Worth, Galveston, Houston, Laredo, Lubbock, Lufkin, Paris, San Angelo, San Antonio, Tyler, Waco, Wichita Falls.

REGION XI

Arizona: Flagstaff, Globe, Phoenix, Prescott, Tucson.

Colorado: Alamosa, Colorado Springs, Denver, Grand Junction, Greeley, Pueblo, Trinidad.

Idaho: Boise, Pocatello, Twin Falls.

Montana: Billings, Butte, Great Falls, Havre, Helena, Miles City.

Utah: Ogden, Richfield, Salt Lake City.

Wyoming: Casper, Cheyenne, Rock Springs, Sheridan.

REGION XII

California: Bakersfield, Eureka, Fresno, Los Angeles County (Glendale; Hollywood; Huntington Park; Long Beach; Los Angeles; Pasadena), Oakland, Redding, Sacramento, San Bernardino, San Diego, San Francisco, San Jose, San Mateo, Santa Barbara, Santa Rosa, Stockton.

Idaho: Lewiston.

Nevada: Las Vegas, Reno.

Oregon: Eugene, Klamath Falls, La Grande, Portland, Salem.

Washington: Aberdeen, Bellingham, Olympia, Seattle, Spokane, Tacoma, Yakima.

Territorial: Juneau, Alaska; Honolulu, Hawaii.

¹ Opened during fiscal year 1940-41.

Branch Offices, by Region and State, as of June 30, 1941

| | |
|--|-------|
| REGION I | |
| Massachusetts: Dorchester. | |
| REGION IV | |
| North Carolina: New Bern, ¹ | North |
| Wilkesboro. | |
| Virginia: Pulaski. | |
| West Virginia: Welch. | |
| REGION V | |
| Kentucky: Harlan. | |

| | |
|---|--|
| REGION VI | |
| Illinois: Elgin. | |
| Indiana: East Chicago. | |
| Wisconsin: Kenosha. | |
| REGION XI | |
| Colorado: Boulder. | |
| Montana: Missoula. ¹ | |
| Utah: Provo. ¹ | |
| Territorial: Hilo, ¹ Hawaii. | |

¹ Opened during fiscal year 1940-41.

Number of Stations With Itinerant Service, by Region and State, as of June 30, 1941

| Number | | Number | |
|----------------------|--------|-------------------|-----|
| Total | 1, 974 | REGION VII—Contd. | |
| REGION I | 124 | Georgia | 41 |
| Connecticut | 31 | Mississippi | 46 |
| Maine | 23 | South Carolina | 21 |
| Massachusetts | 36 | Tennessee | 112 |
| New Hampshire | 13 | REGION VIII | 90 |
| Rhode Island | 1 | Iowa | 26 |
| Vermont | 20 | Minnesota | 24 |
| REGION II | 117 | Nebraska | 35 |
| New York | 117 | South Dakota | 5 |
| REGION III | 100 | REGION IX | 178 |
| Delaware | 3 | Arkansas | 42 |
| New Jersey | 19 | Kansas | 50 |
| Pennsylvania | 78 | Missouri | 40 |
| REGION IV | 193 | Oklahoma | 46 |
| District of Columbia | 5 | REGION X | 256 |
| Maryland | 27 | Louisiana | 46 |
| North Carolina | 77 | New Mexico | 17 |
| Virginia | 51 | Texas | 193 |
| West Virginia | 33 | REGION XI | 56 |
| REGION V | 258 | Arizona | 9 |
| Kentucky | 69 | Colorado | 27 |
| Michigan | 77 | Idaho | 7 |
| Ohio | 112 | Montana | 6 |
| REGION VI | 208 | Utah | 2 |
| Illinois | 73 | Wyoming | 5 |
| Indiana | 68 | REGION XII | 60 |
| Wisconsin | 67 | California | 42 |
| REGION VII | 316 | Oregon | 5 |
| Alabama | 63 | Washington | 13 |
| Florida | 33 | TERRITORIAL | 18 |
| | | Hawaii | 18 |

Table A-1.—Personnel of the Social Security Board, by office and bureau and by departmental and field service, June 30, 1941 ¹

| Office and bureau | Total | Departmental | Field |
|--|---------|--------------|--------|
| Total..... | 12, 682 | 8, 066 | 4, 616 |
| Office of the Board..... | 20 | 18 | 2 |
| Office of the Actuary..... | 18 | 18 | 0 |
| Office of Appeals Council..... | 29 | 10 | 19 |
| Office of the Executive Director..... | 740 | 733 | 7 |
| Regional offices..... | 442 | 0 | 442 |
| Bureau of Employment Security..... | 1, 289 | 1, 115 | 174 |
| Bureau of Old-Age and Survivors Insurance..... | 9, 353 | 5, 633 | 3, 720 |
| Bureau of Public Assistance..... | 316 | 224 | 92 |
| Bureau of Research and Statistics..... | 148 | 122 | 26 |
| Bureau of Accounts and Audits..... | 259 | 144 | 115 |
| Informational Service..... | 68 | 49 | 19 |

¹ Personnel of the Office of the General Counsel and of certain divisions of the Bureau of Business Management were transferred to the Office of the Administrator, Federal Security Agency, during fiscal year 1939-40 but remained on the Social Security Board pay roll until July 1, 1940; personnel of remaining divisions of the Bureau of Business Management were transferred to the Office of the Executive Director. During fiscal year 1940-41, personnel and functions of public assistance research were transferred from the Bureau of Research and Statistics to the Bureau of Public Assistance.

Table A-2.—Administrative expenditures of the Social Security Board for the fiscal year 1940-41 ¹

| | | |
|--|-----------------------------------|--------------------------------|
| Administrative expenditures, total..... | \$26, 503, 543 | |
| General expenses..... | 4, 287, 788 | |
| Stationery and office supplies..... | \$462, 253 | |
| Printed forms..... | 158, 392 | |
| Printing and binding (other than printed forms)..... | 528, 809 | |
| Furniture and equipment..... | 449, 846 | |
| Storage and care of vehicles..... | 425 | |
| Rental of office space..... | 1, 010, 433 | |
| Rental of equipment..... | 958, 414 | |
| Operating and maintenance expenses (guard, elevator, and cleaning services)..... | 206, 928 | |
| Heat, light, power, and water..... | 61, 965 | |
| Repairs and alterations..... | 47, 644 | |
| Telegraph..... | 33, 426 | |
| Telephone..... | 223, 183 | |
| Other communication services..... | 21, 960 | |
| Freight and express charges..... | 53, 675 | |
| Advertising and publication of notices..... | 330 | |
| Special and miscellaneous current expenses..... | 70, 105 | |
| Salaries and travel..... | 22, 215, 755 | |
| Total..... | Salaries \$20, 693, 515 | Travel \$1, 522, 240 |
| Office of the Board..... | 69, 798 | 2, 561 |
| Office of the Actuary..... | 63, 508 | 648 |
| Office of Appeals Council..... | 101, 724 | 18, 339 |
| Office of the Executive Director..... | 1, 147, 342 | 45, 884 |
| Regional offices..... | 668, 563 | 28, 746 |
| Bureau of Employment Security..... | 2, 394, 146 | 443, 769 |
| Bureau of Old-Age and Survivors Insurance..... | 14, 305, 989 | 718, 537 |
| Bureau of Public Assistance..... | 776, 609 | 104, 993 |
| Bureau of Research and Statistics..... | 303, 665 | 13, 387 |
| Bureau of Accounts and Audits..... | 654, 346 | 116, 666 |
| Informational Service..... | 207, 825 | 28, 710 |

¹ See table A-1, footnote 1.

Table A-3.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act ¹ and the Wagner-Peyser Act for the fiscal years 1939-40 and 1940-41

[In thousands ²]

| Item | Fiscal year 1939-40 | | Fiscal year 1940-41 | |
|--|-----------------------------|---------------------------|-----------------------------|---------------------------|
| | Appropriations ³ | Expenditures ⁴ | Appropriations ³ | Expenditures ⁴ |
| Total..... | \$387,344 | \$382,417 | \$443,894 | \$449,866 |
| SOCIAL SECURITY ACT | | | | |
| Total..... | 383,844 | 379,139 | 440,894 | 446,682 |
| Administrative expenses..... | 25,188 | 22,638 | 27,694 | 31,515 |
| Federal Security Agency, Social Security Board ⁵ | 24,750 | 22,222 | 27,220 | 25,668 |
| Department of Labor, Children's Bureau..... | 338 | 323 | 364 | 362 |
| Department of Commerce, Bureau of the Census..... | 100 | 93 | 110 | 113 |
| Department of the Treasury ⁶ | (7) | (7) | (7) | 5,373 |
| Grants to States..... | 358,655 | 356,501 | 413,200 | 415,167 |
| Federal Security Agency..... | 349,000 | 346,955 | 402,000 | 404,111 |
| Social Security Board..... | 339,500 | 337,516 | 391,000 | 393,338 |
| Old-age assistance..... | 225,000 | 227,633 | 245,000 | 260,080 |
| Aid to dependent children..... | 45,000 | 45,380 | 75,000 | 63,222 |
| Aid to the blind..... | 8,000 | 6,168 | 10,000 | 7,069 |
| Unemployment compensation administration..... | 61,500 | ⁸ 58,335 | 61,000 | ⁸ 62,967 |
| Public Health Service: Public health work..... | 9,500 | 9,439 | 11,000 | 10,773 |
| Department of Labor, Children's Bureau..... | 9,655 | 9,546 | 11,200 | 11,056 |
| Maternal and child health services..... | 4,800 | 4,767 | 5,820 | 5,536 |
| Services for crippled children..... | 3,350 | 3,291 | 3,870 | 3,986 |
| Child welfare services..... | 1,505 | 1,487 | 1,510 | 1,534 |
| WAGNER-PEYSER ACT ⁹ | | | | |
| Grants to States: | | | | |
| Federal Security Agency, Social Security Board, Employment service..... | 3,500 | 3,278 | 3,000 | 3,184 |

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$111,500 was appropriated for 1939-40 and \$113,000 for 1940-41 for administration in the Office of Education, and \$1,938,000 for 1939-40 and \$2 million for 1940-41 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,640,000 for 1939-40 and \$1,625,000 for 1940-41 in addition to grants to States shown in this table.

² Totals represent sums of unrounded figures; therefore may differ slightly from sums of rounded amounts.

³ Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1939-40 include additional appropriations of \$17.3 million approved Aug. 9, 1939.

⁴ Under the Social Security Act, based on checks cashed and returned to the Treasury; under the Wagner-Peyser Act, based on checks issued by the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁵ Includes amounts expended by the Board in administration of title II of the Social Security Act, reimbursed to general fund of the Treasury. In 1940-41 includes amounts expended in administration of the Wagner-Peyser Act.

⁶ Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

⁷ Not available.

⁸ Includes grants to States certified by the Social Security Board for employment service administration to meet requirements of unemployment compensation program.

⁹ Administrative expenses in 1940-41 included in administrative expenses of the Social Security Board under the Social Security Act; in 1939-40, merged with "other" expenditures of the Federal Security Agency.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures under the Social Security Act); Social Security Board, Bureau of Accounts and Audits (expenditures under the Wagner-Peyser Act).

Table A-4.—*Federal grants to States: Advances certified by the Social Security Board to the Secretary of the Treasury for public assistance and for administration of unemployment compensation and State employment services for the fiscal year 1940-41*

[In thousands; data corrected to Aug. 20, 1941]

| State | Total grants | Public assistance | | | Employment security | |
|---------------------------|--------------|--------------------|---------------------------|------------------|---------------------------|-------------------------|
| | | Old-age assistance | Aid to dependent children | Aid to the blind | Under Social Security Act | Under Wagner-Peyser Act |
| Total..... | \$395, 586 | \$259, 875 | \$62, 992 | \$7, 073 | ¹ \$62, 462 | \$3, 184 |
| Alabama..... | 2, 512 | 1, 204 | 563 | 36 | 644 | 65 |
| Alaska..... | 346 | 272 | (²) | (²) | 64 | 10 |
| Arizona..... | 2, 349 | 1, 476 | 525 | 64 | 271 | 13 |
| Arkansas..... | 2, 133 | 1, 085 | 491 | 60 | 452 | 45 |
| California..... | 46, 226 | 35, 844 | 3, 698 | 1, 858 | 4, 683 | 143 |
| Colorado..... | 8, 916 | 7, 183 | 1, 134 | 120 | 453 | 26 |
| Connecticut..... | 4, 369 | 2, 952 | (²) | 31 | ¹ 1, 345 | 41 |
| Delaware..... | 520 | 169 | 127 | (²) | 213 | 11 |
| District of Columbia..... | 1, 118 | 544 | 222 | 39 | 313 | (³) |
| Florida..... | 4, 256 | 2, 892 | 490 | 214 | 623 | 37 |
| Georgia..... | 3, 839 | 2, 144 | 628 | 104 | 888 | 75 |
| Hawaii..... | 559 | 149 | 271 | 8 | 116 | 15 |
| Idaho..... | 2, 143 | 1, 274 | 564 | 41 | 253 | 11 |
| Illinois..... | 24, 338 | 19, 445 | (²) | (²) | 4, 708 | 185 |
| Indiana..... | 12, 434 | 7, 495 | 2, 910 | 323 | 1, 624 | 82 |
| Iowa..... | 8, 112 | 7, 258 | (²) | 229 | 555 | 70 |
| Kansas..... | 5, 186 | 3, 412 | 1, 097 | 197 | 415 | 65 |
| Kentucky..... | 3, 898 | 3, 066 | (²) | (²) | 765 | 67 |
| Louisiana..... | 5, 769 | 2, 555 | 2, 296 | 126 | 741 | 51 |
| Maine..... | 2, 673 | 1, 719 | 331 | 157 | 447 | 19 |
| Maryland..... | 4, 347 | 1, 983 | 1, 455 | 90 | 779 | 40 |
| Massachusetts..... | 21, 593 | 15, 333 | 2, 840 | 171 | 3, 146 | 103 |
| Michigan..... | 15, 328 | 8, 144 | 3, 978 | 153 | 2, 929 | 124 |
| Minnesota..... | 11, 620 | 8, 185 | 1, 956 | 171 | 1, 246 | 62 |
| Mississippi..... | 1, 906 | 1, 359 | 54 | 55 | 389 | 49 |
| Missouri..... | 14, 735 | 10, 829 | 2, 167 | (²) | 1, 628 | 111 |
| Montana..... | 2, 237 | 1, 469 | 445 | 32 | 277 | 14 |
| Nebraska..... | 4, 840 | 3, 287 | 1, 069 | 92 | 356 | 36 |
| Nevada..... | 559 | 385 | (²) | (²) | 163 | 11 |
| New Hampshire..... | 1, 390 | 871 | 139 | 48 | 319 | 13 |
| New Jersey..... | 9, 014 | 3, 939 | 2, 005 | 126 | 2, 842 | 102 |
| New Mexico..... | 1, 069 | 502 | 345 | 28 | 184 | 10 |
| New York..... | 33, 519 | 17, 922 | 6, 483 | 478 | 8, 331 | 305 |
| North Carolina..... | 4, 730 | 2, 347 | 1, 029 | 200 | 1, 070 | 84 |
| North Dakota..... | 1, 688 | 931 | 499 | 34 | 207 | 17 |
| Ohio..... | 25, 175 | 19, 066 | 2, 073 | 520 | 3, 387 | 129 |
| Oklahoma..... | 12, 120 | 9, 288 | 1, 918 | 248 | 607 | 59 |
| Oregon..... | 3, 815 | 2, 571 | 377 | 68 | 775 | 24 |
| Pennsylvania..... | 28, 656 | 12, 538 | 10, 286 | (²) | 5, 559 | 273 |
| Rhode Island..... | 1, 898 | 859 | 299 | 9 | 714 | 17 |
| South Carolina..... | 1, 768 | 847 | 298 | 53 | 528 | 42 |
| South Dakota..... | 2, 082 | 1, 754 | 128 | 29 | 154 | 17 |
| Tennessee..... | 5, 220 | 2, 511 | 1, 609 | 111 | 913 | 76 |
| Texas..... | 12, 541 | 10, 277 | (²) | (²) | 2, 080 | 184 |
| Utah..... | 3, 114 | 2, 058 | 727 | 32 | 285 | 12 |
| Vermont..... | 943 | 573 | 120 | 21 | 219 | 10 |
| Virginia..... | 2, 883 | 1, 281 | 596 | 86 | 860 | 60 |
| Washington..... | 9, 545 | 7, 296 | 1, 015 | 207 | 987 | 40 |
| West Virginia..... | 3, 983 | 1, 586 | 1, 483 | 97 | 772 | 45 |
| Wisconsin..... | 10, 702 | 7, 232 | 2, 097 | 283 | 1, 016 | 74 |
| Wyoming..... | 870 | 514 | 155 | 24 | 167 | 10 |

¹ Includes amounts certified for payment into railroad unemployment insurance account in accordance with the Railroad Unemployment Insurance Act, sec. 13. Connecticut State law does not provide for authorization by the State to the Secretary of the Treasury to transfer funds from State account to railroad unemployment insurance account in unemployment trust fund. In accordance with the Railroad Unemployment Insurance Act, sec. 13, therefore, Connecticut withdrew from unemployment trust fund amounts for administrative expenses under unemployment compensation law.

² No plan approved by the Social Security Board.

³ Funds for District of Columbia employment service merged with administrative funds of the Social Security Board.

Table A-5.—*Old-age and survivors insurance trust fund: Financial operations, by fiscal year, 1936-37—1940-41, and by month, fiscal year 1940-41*

[In millions ¹]

| Period | Receipts ² | | Expenditures | | Assets at end of period | | | | |
|-----------------------------------|---|------------------|------------------|---|-------------------------|----------------------------------|-----------------------------------|------------------------|------------------------------|
| | Contributions appropriated ³ | Interest | Benefit payments | Reimbursement for administrative expenses | Total | Investments | | Credit of fund account | Credit of disbursing officer |
| | | | | | | 3-percent special Treasury notes | 2½-percent special Treasury notes | | |
| Cumulative through June 1941..... | \$688.1 | \$143.1 | \$99.5 | \$39.1 | \$2,397.6 | \$1,052.5 | \$1,328.1 | \$6.2 | \$10.8 |
| Fiscal year: | | | | | | | | | |
| 1936-37..... | | 2.3 | (⁴) | | 267.2 | 267.1 | | .1 | .1 |
| 1937-38..... | | 15.4 | 5.4 | | 777.2 | 662.3 | | 113.0 | 1.9 |
| 1938-39..... | | 27.0 | 13.9 | | 1,180.3 | 1,177.2 | | .1 | 3.0 |
| 1939-40..... | | 42.5 | 15.8 | 12.3 | 1,744.7 | 1,413.2 | 324.9 | .5 | 6.1 |
| 1940-41..... | 688.1 | 56.0 | 64.3 | 26.8 | 2,397.6 | 1,052.5 | 1,328.1 | 6.2 | 10.8 |
| 1940 | | | | | | | | | |
| July..... | 38.1 | (⁴) | 3.1 | 2.2 | 1,777.4 | 1,408.2 | 324.9 | 36.4 | 8.0 |
| August..... | 121.4 | (⁴) | 3.6 | 2.2 | 1,893.1 | 1,403.2 | 324.9 | 155.6 | 9.4 |
| September..... | 2.8 | .1 | 3.9 | 2.2 | 1,889.8 | 1,391.7 | 483.9 | 3.8 | 10.4 |
| October..... | 34.5 | (⁴) | 4.9 | 2.4 | 1,917.0 | 1,386.7 | 483.9 | 36.0 | 10.4 |
| November..... | 125.1 | .1 | 4.8 | 2.4 | 2,035.0 | 1,381.7 | 483.9 | 158.8 | 10.6 |
| December..... | 3.1 | .2 | 5.2 | 2.4 | 2,030.7 | 1,369.6 | 646.9 | 3.8 | 10.4 |
| 1941 | | | | | | | | | |
| January..... | 33.9 | .2 | 5.4 | 2.1 | 2,057.3 | 1,359.6 | 646.9 | 35.8 | 15.0 |
| February..... | 134.4 | .1 | 5.9 | 2.1 | 2,183.8 | 1,354.6 | 646.9 | 168.2 | 14.1 |
| March..... | 2.6 | .2 | 6.7 | 2.1 | 2,177.8 | 1,343.4 | 817.9 | 4.2 | 12.3 |
| April..... | 39.2 | .2 | 6.8 | 2.2 | 2,208.3 | 1,333.4 | 817.9 | 41.5 | 15.5 |
| May..... | 149.7 | .1 | 7.0 | 2.2 | 2,349.0 | 1,328.4 | 817.9 | 189.1 | 13.5 |
| June..... | 3.3 | 54.7 | 7.1 | 2.2 | 2,397.6 | 1,052.5 | 1,328.1 | 6.2 | 10.8 |

¹ Totals represent sums of unrounded figures; therefore may differ slightly from sums of rounded amounts.

² Transfers to trust fund from appropriations for this purpose totaled \$1,705 million as of June 30, 1940; for fiscal year 1936-37, \$265 million was transferred; for 1937-38, \$387 million; for 1938-39, \$503 million; and for 1939-40, \$550 million.

³ Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act. Data differ slightly from those of table A-8 which are based on warrants covered into the Treasury by the Bookkeeping and Warrants Division of the Treasury Department.

⁴ Less than \$50,000.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Table A-6.—Unemployment trust fund: Deposits, interest, and withdrawals, by State, fiscal year 1940-41¹

| Account | Balance, June 30, 1940 | Deposits | Interest | Transfers from State accounts to railroad un- employment in- surance account | Withdrawals for benefit payments | Balance, June 30, 1941 |
|----------------------------|---------------------------|--------------------|-----------------|--|-------------------------------------|---------------------------|
| Total..... | \$1,722,461,463.07 | \$1,063,964,955.05 | \$48,952,549.64 | \$104,099,950.87 | \$452,703,340.99 | \$2,278,575,675.90 |
| State accounts, total..... | 1,692,210,137.81 | 891,017,732.54 | 45,893,117.10 | 104,099,950.87 | 433,703,340.99 | 2,091,317,695.59 |
| Alabama..... | 14,281,289.39 | 10,760,000.00 | 436,094.49 | ----- | 4,130,000.00 | 21,347,383.88 |
| Alaska..... | 983,812.38 | 678,006.57 | 27,003.56 | 13,378.48 | 450,000.00 | 1,225,444.03 |
| Arizona..... | 2,985,371.80 | 2,145,754.37 | 82,866.74 | 338,234.97 | 1,045,000.00 | 3,830,757.94 |
| Arkansas..... | 7,099,641.92 | 3,433,527.07 | 168,061.65 | 1,087,846.36 | 2,685,000.00 | 6,928,384.28 |
| California..... | 153,752,281.82 | 80,183,356.65 | 3,965,943.53 | 7,803,779.44 | 64,150,000.00 | 165,947,802.56 |
| Colorado..... | 10,788,295.87 | 4,665,000.00 | 255,373.05 | 1,528,040.19 | 3,275,000.00 | 10,905,628.73 |
| Connecticut..... | 33,893,305.86 | 21,817,000.00 | 1,071,108.28 | 1,896,240.00 | 3,100,000.00 | 53,582,417.90 |
| Delaware..... | 6,464,352.80 | 2,433,500.00 | 171,922.01 | 461,069.51 | 677,000.00 | 7,931,705.30 |
| District of Columbia..... | 19,174,262.66 | 5,084,030.00 | 495,428.97 | 790,229.25 | 2,380,000.00 | 21,583,492.38 |
| Florida..... | 14,095,194.39 | 7,315,000.00 | 317,676.67 | 1,508,550.60 | 5,900,000.00 | 14,319,320.46 |
| Georgia..... | 22,359,069.67 | 9,520,000.00 | 607,890.07 | 2,438,698.83 | 4,700,000.00 | 25,348,260.91 |
| Hawaii..... | 5,673,990.63 | 2,068,893.24 | 164,092.73 | 79,881.25 | 177,000.00 | 7,650,095.35 |
| Idaho..... | 2,550,697.07 | 2,061,306.62 | 63,497.98 | 373,013.78 | 1,810,000.00 | 2,492,487.89 |
| Illinois..... | 185,971,892.26 | 70,609,000.00 | 4,836,280.95 | 13,841,172.82 | 34,972,840.99 | 212,603,159.40 |
| Indiana..... | 39,492,313.77 | 23,150,000.00 | 1,141,204.82 | 3,189,592.27 | 6,600,000.00 | 53,993,926.32 |
| Iowa..... | 16,189,170.43 | 7,693,000.00 | 415,778.87 | 2,122,341.32 | 3,325,000.00 | 18,850,607.98 |
| Kansas..... | 14,811,353.57 | 4,865,798.95 | 360,019.10 | 2,724,508.29 | 1,750,000.00 | 15,562,663.33 |
| Kentucky..... | 28,750,515.43 | 11,274,000.00 | 775,276.65 | 2,751,978.21 | 3,776,000.00 | 34,271,813.87 |
| Louisiana..... | 18,410,488.01 | 8,403,000.00 | 454,699.16 | 1,179,639.06 | 6,750,000.00 | 19,338,548.11 |
| Maine..... | 3,739,347.55 | 4,212,000.00 | 104,638.95 | 255,337.04 | 2,500,000.00 | 5,300,649.46 |
| Maryland..... | 18,513,951.72 | 13,817,000.00 | 550,202.27 | 1,195,347.37 | 5,300,000.00 | 26,385,806.62 |
| Massachusetts..... | 76,185,752.43 | 39,885,000.00 | 1,987,365.79 | 2,312,725.57 | 25,700,000.00 | 90,045,392.65 |
| Michigan..... | 59,962,300.51 | 57,720,081.65 | 1,857,657.27 | 1,931,485.64 | 21,050,000.00 | 96,558,553.79 |
| Minnesota..... | 23,663,009.55 | 11,069,463.17 | 583,756.15 | 2,516,982.32 | 8,620,000.00 | 24,179,246.55 |
| Mississippi..... | 4,268,123.03 | 2,930,000.00 | 105,536.94 | 642,412.60 | 1,920,000.00 | 4,741,247.37 |
| Missouri..... | 55,575,040.59 | 21,200,000.00 | 1,495,034.62 | 4,871,464.25 | 6,125,000.00 | 67,273,610.96 |
| Montana..... | 5,742,075.09 | 3,002,000.00 | 131,254.63 | 1,186,104.06 | 2,850,000.00 | 4,839,225.66 |
| Nebraska..... | 10,392,863.57 | 2,210,000.00 | 238,169.76 | 1,681,585.10 | 1,630,000.00 | 9,529,448.23 |
| Nevada..... | 1,474,099.19 | 987,500.00 | 30,166.75 | 356,735.18 | 1,100,000.00 | 1,035,030.76 |
| New Hampshire..... | 5,510,104.50 | 2,918,000.00 | 153,144.90 | 238,106.20 | 1,500,000.00 | 6,843,143.20 |
| New Jersey..... | 115,116,974.71 | 52,569,000.00 | 3,262,426.01 | 4,268,521.02 | 13,200,000.00 | 153,479,879.70 |
| New Mexico..... | 2,837,653.30 | 1,430,000.00 | 65,420.97 | 514,544.78 | 1,140,000.00 | 2,678,529.49 |
| New York..... | 194,392,162.28 | 130,457,689.89 | 5,237,484.82 | 6,857,977.24 | 86,650,000.00 | 236,579,359.75 |
| North Carolina..... | 21,628,459.78 | 12,837,000.00 | 612,943.55 | 1,103,334.43 | 3,800,000.00 | 30,175,068.90 |
| North Dakota..... | 2,384,163.66 | 750,000.00 | 53,802.14 | 577,479.75 | 605,000.00 | 2,005,486.05 |

| | | | | | | |
|---|----------------|------------------|--------------|--------------|---------------|----------------|
| Ohio----- | 149,056,112.35 | 61,577,000.00 | 4,079,447.25 | 8,535,005.70 | 17,435,000.00 | 188,742,553.90 |
| Oklahoma----- | 16,104,797.36 | 6,185,000.00 | 425,884.74 | 1,001,133.15 | 3,155,000.00 | 18,559,548.95 |
| Oregon----- | 8,174,965.01 | 7,150,652.38 | 252,926.70 | 590,392.41 | 2,995,000.00 | 11,993,151.68 |
| Pennsylvania----- | 113,086,551.34 | 84,847,000.00 | 3,296,190.78 | 6,698,998.97 | 32,500,000.00 | 162,030,743.15 |
| Rhode Island----- | 9,176,054.79 | 10,753,000.00 | 3,302,466.52 | 151,992.23 | 4,475,000.00 | 15,604,529.08 |
| South Carolina----- | 10,131,407.17 | 5,280,000.00 | 288,392.92 | 0 | 1,950,000.00 | 13,749,800.09 |
| South Dakota----- | 3,109,166.64 | 972,000.00 | 80,012.09 | 403,304.23 | 390,500.00 | 3,367,374.50 |
| Tennessee----- | 13,968,453.35 | 9,255,000.00 | 370,877.03 | 1,527,440.15 | 5,330,000.00 | 16,736,890.23 |
| Texas----- | 51,490,956.90 | 18,826,000.00 | 1,367,658.50 | 4,227,030.42 | 7,800,000.00 | 59,657,584.98 |
| Utah----- | 3,790,208.09 | 2,921,000.00 | 1,103,604.73 | 516,975.53 | 1,530,000.00 | 4,767,837.29 |
| Vermont----- | 2,682,722.39 | 1,584,267.86 | 79,472.77 | 0 | 650,000.00 | 3,696,463.02 |
| Virginia----- | 19,248,453.69 | 10,141,000.00 | 499,596.43 | 2,453,850.22 | 4,485,000.00 | 22,950,199.90 |
| Washington----- | 21,644,311.78 | 11,505,000.00 | 566,800.84 | 1,674,678.53 | 7,430,000.00 | 24,611,434.09 |
| West Virginia----- | 15,783,369.26 | 10,710,000.00 | 452,800.30 | 1,001,586.39 | 4,000,000.00 | 21,944,583.17 |
| Wisconsin----- | 53,362,183.57 | 11,910,904.12 | 1,394,437.02 | 1,964,429.67 | 3,350,000.00 | 61,353,095.04 |
| Wyoming----- | 2,377,042.93 | 1,245,000.00 | 53,323.68 | 602,039.85 | 885,000.00 | 2,188,326.76 |
| Railroad unemployment insurance account-- | 30,251,325.26 | 3 172,947,222.51 | 3,059,432.54 | ----- | 19,000,000.00 | 187,257,980.31 |

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance account in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

² Connecticut State law does not provide for authorization by the State to the Secretary of the Treasury to transfer funds from State account to railroad unemployment insurance account. In accordance with the Railroad Unemployment Insurance

Act, sec. 13, therefore, the Social Security Board certifies amounts for deposit into the railroad unemployment insurance account from amounts allocated for unemployment compensation administration; the State then withdraws from unemployment trust fund amounts for administrative expenses not to exceed those certified by the Social Security Board for deposit in the railroad unemployment insurance account.
³ Includes amounts transferred from State accounts to railroad unemployment insurance account and amounts deposited by the Railroad Retirement Board.

Source: Compiled from data furnished by the U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

Table A-7.—Unemployment trust fund: Financial operations, by fiscal year, 1935-36—1940-41, and by month, fiscal year 1940-41¹[In millions ²]

| Period | State accounts | | | | Railroad unemployment insurance account | | | | | | Assets at end of period | | |
|------------------------------|----------------|-------------------|-------------------------------|--------------------------------|---|------------------|----------------------|---------------------|--------------------------------|-----------|-------------------------------------|----------------------------|--|
| | Deposits | Interest credited | With- drawals ³ | Balance at end of period | Transfers from State accounts | Deposits | Interest credited | Benefit payments | Balance at end of period | Total | Special Treasury certificates | Unex- pended balance | |
| Cumulative through June 1941 | \$3,621.4 | \$128.3 | \$1,655.9 | \$2,093.7 | ⁴ \$105.9 | \$105.6 | \$3.3 | \$32.3 | \$189.9 | \$2,283.7 | \$2,273.0 | \$10.7 | |
| Fiscal year: | | | | | | | | | | | | (⁶) | |
| 1935-36 | 18.9 | .1 | --- | 18.9 | --- | --- | --- | --- | --- | 18.9 | 18.9 | | |
| 1936-37 | 291.7 | 2.7 | 1.0 | 312.4 | --- | --- | --- | --- | --- | 312.4 | 312.3 | .1 | |
| 1937-38 | 747.7 | 15.2 | 191.0 | 884.2 | --- | --- | --- | --- | --- | 884.2 | 872.0 | 12.2 | |
| 1938-39 | 811.3 | 26.8 | 441.8 | 1,280.5 | --- | --- | --- | --- | --- | 1,280.5 | 1,267.0 | 13.5 | |
| 1939-40 | 859.9 | 37.5 | 484.8 | 1,693.2 | ⁴ 1.8 | 44.2 | .2 | 14.6 | 31.7 | 1,724.9 | 1,710.0 | 14.9 | |
| 1940-41 | 892.0 | 45.9 | 537.3 | 2,093.7 | ⁴ 104.1 | 61.3 | 3.1 | 17.8 | \$189.9 | 2,283.7 | 2,273.0 | 10.7 | |
| 1940 | | | | | | | | | | | | | |
| July | 58.8 | --- | 56.4 | 1,695.6 | ⁴ 4.4 | (⁶) | --- | .7 | 31.4 | 1,727.0 | 1,723.0 | 4.0 | |
| August | 141.6 | --- | 51.7 | 1,785.4 | 0 | 1.1 | --- | .9 | 31.6 | 1,817.0 | 1,808.0 | 9.0 | |
| September | 9.3 | .1 | 80.4 | 1,714.4 | 43.5 | 13.6 | (⁶) | 1.0 | 87.7 | 1,802.1 | 1,790.0 | 12.1 | |
| October | 56.7 | --- | 83.0 | 1,688.2 | 50.0 | (⁶) | --- | 1.0 | 136.7 | 1,825.0 | 1,821.0 | 4.0 | |
| November | 143.0 | --- | 29.9 | 1,801.3 | 1.0 | .8 | --- | .8 | 137.7 | 1,939.1 | 1,934.0 | 5.1 | |
| December | 12.8 | 21.5 | 30.8 | 1,804.8 | 1.5 | 14.7 | 1.0 | 1.7 | 153.1 | 1,958.0 | 1,945.3 | 12.7 | |
| 1941 | | | | | | | | | | | | | |
| January | 68.2 | --- | 38.0 | 1,835.0 | 2.5 | (⁶) | --- | 3.1 | \$160.1 | 1,995.1 | 1,974.3 | 20.8 | |
| February | 145.6 | --- | 40.4 | 1,940.3 | 2.5 | .5 | --- | 2.7 | 160.4 | 2,100.7 | 2,087.3 | 13.4 | |
| March | 13.1 | .1 | 34.0 | 1,919.4 | 0 | 15.1 | (⁶) | 2.5 | 172.9 | 2,092.3 | 2,077.3 | 15.0 | |
| April | 66.5 | --- | 33.4 | 1,952.5 | ⁴ 2.7 | .1 | --- | 1.7 | 174.0 | 2,126.6 | 2,117.3 | 9.3 | |
| May | 166.1 | --- | 29.0 | 2,089.6 | (⁶) | .9 | --- | 1.1 | 173.8 | 2,263.5 | 2,254.3 | 9.2 | |
| June | 10.1 | 24.2 | 30.2 | 2,093.7 | 0 | 14.7 | 2.0 | .6 | 189.9 | 2,283.7 | 2,273.0 | 10.7 | |

¹ See table A-6, footnote 1. Data based on checks cashed; differ slightly from those of A-6 which are compiled at a different stage in accounting process.² Totals represent sums of unrounded figures; therefore may differ slightly from sums of rounded amounts.³ Includes amounts transferred to railroad unemployment insurance account.⁴ Includes amounts certified by the Social Security Board to the Secretary of the Treasury on behalf of the State of Connecticut for payment into railroad unemployment insurance account in accordance with the Railroad Unemployment Insurance Act, sec. 13.⁵ Includes \$7.5 million transferred from railroad unemployment insurance administration fund in accordance with Oct. 10, 1940, amendments to the Railroad Unemployment Insurance Act.⁶ Less than \$50,000.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Table A-8.—Federal insurance contributions and Federal unemployment taxes, by fiscal year, 1936-37—1940-41, and by month, fiscal year 1940-41 ¹

| Period | Total | Insurance contributions ² | Unemployment taxes ³ |
|----------------|------------------|--------------------------------------|---------------------------------|
| Fiscal year: | | | |
| 1936-37----- | \$256,181,188.05 | \$198,341,332.26 | \$57,839,855.79 |
| 1937-38----- | 600,677,983.57 | 510,550,641.58 | 90,127,341.99 |
| 1938-39----- | 630,202,178.61 | 529,442,990.41 | 100,759,188.20 |
| 1939-40----- | 713,250,713.81 | 608,095,030.20 | 105,155,683.61 |
| 1940-41----- | 788,263,607.98 | 688,177,948.96 | 100,085,659.02 |
| 1940 | | | |
| July----- | 38,442,116.97 | 35,591,288.35 | 2,850,828.62 |
| August----- | 131,824,905.03 | 123,675,981.79 | 8,148,923.24 |
| September----- | 3,343,295.80 | 2,758,670.41 | 584,625.39 |
| October----- | 37,247,965.57 | 34,500,153.35 | 2,747,812.22 |
| November----- | 133,121,290.77 | 125,124,291.96 | 7,996,998.81 |
| December----- | 3,698,795.76 | 3,141,174.73 | 557,621.03 |
| 1941 | | | |
| January----- | 46,004,547.79 | 33,922,752.36 | 12,081,795.43 |
| February----- | 187,907,891.46 | 134,433,126.87 | 53,474,764.59 |
| March----- | 3,505,885.72 | 2,588,404.09 | 917,481.63 |
| April----- | 41,675,380.30 | 39,228,336.45 | 2,447,043.85 |
| May----- | 157,132,358.24 | 149,678,842.08 | 7,453,516.16 |
| June----- | 4,359,174.57 | 3,534,926.52 | 824,248.05 |

¹ See table C-13 for collections under State unemployment compensation laws.
² Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.
³ Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607), payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages.
Source: Compiled from data furnished by the U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

•B•

Old-Age and Survivors Insurance

Data on the old-age and survivors insurance program summarized in this appendix indicate the number of employee accounts established (B-1), the number of employers reporting under the program, the number of workers included in such reports, and the amount of their taxable wages (B-2), workers in covered employment and their taxable wages, by State (B-3) and by age group (B-4), number and disposition of claims for benefits and lump-sum payments (B-5), beneficiaries and benefits in current, deferred, and conditional-payment status, by type of benefit (B-6), and number of persons who received payments and amounts certified for such payments (B-9). Data for the close of the fiscal year show, by type of benefit and by State, beneficiaries on the rolls (B-7) and benefits payable (B-8).

Differences in inclusiveness of figures, stage of operation, or status of payments account for variations in totals which appear in these tables. The number of persons for whom accounts have been established (B-1) is cumulative and includes inactive accounts, i. e., those for which no taxable wages have been reported and those established for workers who have temporarily or permanently withdrawn from covered employment. Figures for workers and their taxable wages from 1937 through June 1941 (B-2) include estimates for data in delinquent 1939 reports and those received too late for inclusion in the more detailed summaries for that year (B-3, B-4).

The number of claims awarded (B-5) differs from data in the other tables of beneficiaries on monthly benefit rolls and recipients of lump-sum payments because some monthly benefits were terminated during the year. Monthly amounts payable (B-6, B-8) and beneficiaries on the rolls (B-6, B-7) represent data as of June 30, 1941, for all payments in force, i. e., benefit payments being made at a given time with no deductions or with deductions amounting to less than a month's benefit (current-payment status), benefit payments withheld until a definite subsequent month when a known amount equal to or exceeding a month's benefit has been deducted from benefits awarded for a prior month or months (deferred-payment status), and benefit payments indefinitely suspended until the conditions necessitating deduction have been removed (conditional-payment status). Payments certified (B-9) during the year include retroactive payments, and of course exclude data for benefits in conditional or deferred-payment status and benefits terminated.

Benefit payments from the old-age and survivors insurance trust fund (A-5) are on a checks-cashed basis. Appendix A also carries data on the operation of the program, showing the functions of the Bureau of Old-Age and Survivors Insurance, the location of regional and field offices, the personnel of the Bureau and its field staff (A-1), obligations incurred for salaries and travel of personnel (A-2), operations of old-age and survivors insurance trust fund, including reimbursement to the Treasury for administrative expenses of the program incurred by the Board and the Treasury Department (A-5), and amounts collected under the Federal Insurance Contributions Act (A-8). The introduction to that appendix, further, indicates sources of current data on old-age and survivors insurance and related programs.

Table B-1.—Old-age and survivors insurance: Employee accounts established, fiscal year 1940-41, and net cumulative total as of June 30, 1940, and June 27, 1941 ¹

| State | Number estab-lished, 1940-41 ² | Net cumulative total ³ | | State | Number estab-lished, 1940-41 ² | Net cumulative total ³ | |
|---------------------|---|-----------------------------------|---------------|-------------------|---|-----------------------------------|---------------|
| | | June 30, 1940 ⁴ | June 27, 1941 | | | June 30, 1940 ⁴ | June 27, 1941 |
| Total..... | 6, 095, 425 | 49, 826, 366 | 55, 922, 710 | Missouri..... | 177, 510 | 1, 384, 376 | 1, 561, 907 |
| Alabama..... | 162, 744 | 779, 740 | 942, 489 | Montana..... | 20, 011 | 196, 258 | 216, 273 |
| Alaska..... | 3, 504 | 25, 790 | 29, 295 | Nebraska..... | 44, 259 | 358, 536 | 402, 799 |
| Arizona..... | 21, 475 | 186, 682 | 208, 159 | Nevada..... | 5, 235 | 49, 305 | 54, 542 |
| Arkansas..... | 89, 949 | 445, 496 | 535, 454 | New Hampshire.. | 20, 716 | 207, 890 | 228, 608 |
| California..... | 310, 356 | 3, 199, 314 | 3, 509, 722 | New Jersey..... | 184, 925 | 1, 799, 013 | 1, 983, 966 |
| Colorado..... | 46, 517 | 402, 407 | 448, 931 | New Mexico..... | 22, 903 | 148, 369 | 171, 274 |
| Connecticut..... | 95, 720 | 769, 388 | 865, 133 | New York..... | 586, 984 | 6, 549, 844 | 7, 136, 983 |
| Delaware..... | 13, 036 | 114, 053 | 127, 091 | North Carolina... | 231, 696 | 1, 055, 313 | 1, 287, 018 |
| Dist. of Columbia.. | 41, 933 | 319, 247 | 361, 185 | North Dakota.... | 16, 702 | 127, 755 | 144, 458 |
| Florida..... | 117, 734 | 768, 656 | 886, 400 | Ohio..... | 323, 692 | 2, 871, 233 | 3, 194, 977 |
| Georgia..... | 174, 577 | 973, 316 | 1, 147, 907 | Oklahoma..... | 73, 161 | 710, 365 | 783, 534 |
| Hawaii..... | 17, 527 | 169, 601 | 187, 136 | Oregon..... | 57, 974 | 426, 234 | 484, 215 |
| Idaho..... | 20, 004 | 175, 392 | 195, 401 | Pennsylvania..... | 405, 135 | 4, 052, 051 | 4, 457, 294 |
| Illinois..... | 376, 136 | 3, 439, 234 | 3, 815, 395 | Rhode Island..... | 39, 108 | 341, 286 | 380, 399 |
| Indiana..... | 162, 523 | 1, 301, 248 | 1, 463, 796 | South Carolina... | 102, 650 | 562, 522 | 665, 182 |
| Iowa..... | 86, 617 | 665, 211 | 751, 846 | South Dakota.... | 16, 714 | 141, 456 | 158, 170 |
| Kansas..... | 68, 050 | 520, 827 | 588, 882 | Tennessee..... | 176, 714 | 868, 641 | 1, 045, 365 |
| Kentucky..... | 117, 732 | 801, 234 | 918, 981 | Texas..... | 298, 500 | 2, 159, 371 | 2, 457, 916 |
| Louisiana..... | 131, 744 | 740, 871 | 872, 629 | Utah..... | 21, 083 | 190, 215 | 211, 300 |
| Maine..... | 37, 244 | 329, 636 | 366, 890 | Vermont..... | 13, 354 | 117, 431 | 130, 788 |
| Maryland..... | 96, 448 | 703, 657 | 800, 118 | Virginia..... | 151, 654 | 828, 435 | 980, 105 |
| Massachusetts..... | 205, 737 | 1, 922, 606 | 2, 128, 383 | Washington..... | 73, 936 | 695, 603 | 769, 550 |
| Michigan..... | 251, 369 | 2, 202, 197 | 2, 453, 637 | West Virginia.... | 82, 632 | 653, 702 | 736, 343 |
| Minnesota..... | 89, 389 | 847, 109 | 936, 507 | Wisconsin..... | 110, 624 | 997, 621 | 1, 108, 253 |
| Mississippi..... | 89, 602 | 448, 769 | 538, 378 | Wyoming..... | 9, 886 | 81, 860 | 91, 746 |

¹ Includes inactive accounts, i. e., those for which no taxable wages have been reported and those established for workers who have temporarily or permanently withdrawn from covered employment.

² Period covered: July 1, 1940-June 27, 1941.

³ Excludes 1,036,576 known duplications canceled before May 1, 1940, but includes known duplications discovered after that date which are retained in files and cross-referenced instead of being canceled. Data for June 27, 1941, also include 919 accounts canceled before May 1, 1940, and reinstated during fiscal year.

⁴ Revised.

Table B-2.—Old-age and survivors insurance: Estimated number of employers and workers and amount of taxable wages, 1937, and by quarter, January 1938-June 1941

[Corrected to Oct. 31, 1941]

| Year and quarter | Employers reporting taxable wages ¹ (in thousands) | Workers with taxable wages (in thousands) | | Taxable wages | |
|-----------------------|---|--|---------------------|---------------------|--------------------|
| | | On last day or last pay roll of quarter ² | Total during period | Total (in millions) | Average per worker |
| 1937..... | (³) | ----- | 32, 800 | \$29, 300 | \$893 |
| 1938..... | (³) | ----- | 31, 200 | 26, 200 | 840 |
| January-March..... | 1, 740 | 23, 000 | 25, 100 | 6, 447 | 257 |
| April-June..... | 1, 783 | 23, 000 | 25, 200 | 6, 523 | 259 |
| July-September..... | 1, 813 | 23, 800 | 25, 900 | 6, 505 | 251 |
| October-December..... | 1, 833 | 23, 600 | 26, 500 | 6, 725 | 254 |
| 1939..... | (³) | ----- | 33, 100 | 29, 200 | 882 |
| January-March..... | 1, 826 | 24, 500 | 25, 400 | 7, 040 | 277 |
| April-June..... | 1, 891 | 25, 300 | 26, 700 | 7, 221 | 270 |
| July-September..... | 1, 936 | 26, 100 | 27, 400 | 7, 497 | 274 |
| October-December..... | 1, 977 | 25, 700 | 28, 400 | 7, 442 | 262 |
| 1940..... | (³) | ----- | 35, 000 | 32, 900 | 940 |
| January-March..... | 1, 975 | 26, 300 | 27, 400 | 8, 070 | 295 |
| April-June..... | 2, 056 | 27, 200 | 28, 300 | 8, 125 | 287 |
| July-September..... | 2, 099 | 28, 500 | 29, 700 | 8, 129 | 274 |
| October-December..... | 2, 131 | 29, 400 | 31, 500 | 8, 576 | 272 |
| 1941..... | (³) | ----- | (³) | (³) | (³) |
| January-March..... | 2, 119 | 29, 600 | 32, 000 | 9, 579 | 299 |
| April-June..... | 2, 197 | 30, 900 | 33, 400 | 10, 352 | 310 |

¹ Number of employers corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for firm as a whole.

² Beginning with first quarter of 1941, data represent employment on last pay roll of quarter.

³ Not available.

Table B-3.—Old-age and survivors insurance: Workers with taxable wages and amount of their taxable wages, by State, 1939 ¹

[Corrected to May 15, 1941]

| State | Workers ² | Taxable wages ³ (in thousands) | Average taxable wage | State | Workers ² | Taxable wages ³ (in thousands) | Average taxable wage |
|--------------------------|----------------------|---|----------------------|---------------------|----------------------|---|----------------------|
| Total ⁴ | 32, 063, 210 | \$28, 127, 180 | \$877 | Missouri..... | 832, 608 | 698, 464 | 839 |
| Alabama..... | 416, 800 | 251, 387 | 603 | Montana..... | 108, 897 | 89, 149 | 819 |
| Alaska..... | 28, 998 | 23, 001 | 793 | Nebraska..... | 204, 073 | 139, 152 | 682 |
| Arizona..... | 96, 633 | 75, 905 | 786 | Nevada..... | 34, 871 | 28, 536 | 818 |
| Arkansas..... | 214, 900 | 102, 631 | 478 | New Hampshire..... | 154, 811 | 112, 277 | 725 |
| California..... | 2, 004, 643 | 1, 876, 137 | 936 | New Jersey..... | 1, 276, 279 | 1, 266, 811 | 993 |
| Colorado..... | 245, 818 | 182, 848 | 744 | New Mexico..... | 73, 638 | 46, 261 | 628 |
| Connecticut..... | 596, 467 | 604, 580 | 1, 014 | New York..... | 4, 465, 444 | 4, 681, 207 | 1, 048 |
| Delaware..... | 81, 546 | 72, 355 | 887 | North Carolina..... | 684, 239 | 395, 299 | 578 |
| Dist. of Columbia..... | 206, 891 | 196, 587 | 950 | North Dakota..... | 63, 657 | 38, 443 | 604 |
| Florida..... | 451, 147 | 239, 577 | 531 | Ohio..... | 1, 896, 890 | 1, 910, 718 | 1, 007 |
| Georgia..... | 568, 234 | 314, 931 | 554 | Oklahoma..... | 333, 172 | 240, 408 | 722 |
| Hawaii..... | 105, 141 | 60, 822 | 578 | Oregon..... | 277, 867 | 231, 874 | 834 |
| Idaho..... | 104, 431 | 65, 573 | 628 | Pennsylvania..... | 2, 762, 398 | 2, 618, 926 | 948 |
| Illinois..... | 2, 411, 715 | 2, 435, 585 | 1, 010 | Rhode Island..... | 271, 173 | 227, 902 | 840 |
| Indiana..... | 849, 040 | 753, 249 | 887 | South Carolina..... | 333, 621 | 174, 402 | 523 |
| Iowa..... | 424, 628 | 305, 066 | 718 | South Dakota..... | 70, 593 | 44, 772 | 634 |
| Kansas..... | 281, 899 | 191, 091 | 678 | Tennessee..... | 492, 662 | 310, 142 | 630 |
| Kentucky..... | 399, 430 | 276, 535 | 692 | Texas..... | 1, 237, 734 | 851, 148 | 688 |
| Louisiana..... | 430, 591 | 275, 234 | 639 | Utah..... | 110, 726 | 79, 642 | 719 |
| Maine..... | 238, 999 | 156, 099 | 653 | Vermont..... | 81, 864 | 54, 111 | 661 |
| Maryland..... | 493, 704 | 416, 203 | 843 | Virginia..... | 530, 581 | 346, 061 | 652 |
| Massachusetts..... | 1, 385, 075 | 1, 308, 031 | 944 | Washington..... | 442, 875 | 397, 800 | 898 |
| Michigan..... | 1, 400, 988 | 1, 411, 272 | 1, 007 | West Virginia..... | 405, 414 | 340, 918 | 841 |
| Minnesota..... | 517, 371 | 433, 409 | 838 | Wisconsin..... | 684, 349 | 634, 557 | 927 |
| Mississippi..... | 225, 258 | 97, 984 | 435 | Wyoming..... | 52, 427 | 42, 106 | 803 |

¹ Based on 20-percent sample which includes wage records of 6,374,302 workers and \$5,590,771,022 in wages identified for posting to individual accounts by May 16, 1940, or approximately 19.8 percent of total 1939 workers and wages thus identified. Wage items identified for posting by May 16, 1940, represent 97.9 percent of estimated total number of workers with taxable wages in 1939 and 96.9 percent of estimated total taxable wages for 1939. Taxable wages exclude remuneration from employment not covered by old-age and survivors insurance program and wages in excess of first \$3,000 a year from any 1 employer.

² Presented to last digit for convenience in summation; figures cannot be taken as accurate to last unit given because data based on sample.

³ Total represents sum of unrounded figures; therefore may differ slightly from sum of rounded amounts. Cents dropped in tabulating individual wages.

⁴ Excludes 66,954 workers whose sex and/or race was unknown and their taxable wages of \$53,535,643.

Table B-4.—*Old-age and survivors insurance: Workers with taxable wages and amount of their taxable wages, by age group, race, and sex, 1939* ¹

[Corrected to May 15, 1941]

| Age group (years) ² | Total ³ | | | White ⁶ | | | Negro | | |
|-----------------------------------|----------------------|---|---------------------------------|----------------------|---|---------------------------------|----------------------|--|---------------------------------|
| | Workers ⁴ | Taxable wages ⁵ (in thousands) | Aver- age taxable wage | Workers ⁴ | Taxable wages ⁵ (in thousands) | Aver- age taxable wage | Workers ⁴ | Taxable wages ⁵ (in thou- sands) | Aver- age taxable wage |
| Total | | | | | | | | | |
| Total... | 32, 063, 210 | \$28, 127, 180 | \$877 | 29, 837, 130 | \$27, 214, 135 | \$912 | 2, 226, 080 | \$913, 045 | \$410 |
| Under 20..... | 2, 667, 353 | 563, 539 | 211 | 2, 521, 726 | 546, 533 | 217 | 145, 627 | 17, 006 | 117 |
| 20-24..... | 5, 923, 379 | 3, 181, 617 | 537 | 5, 550, 472 | 3, 089, 353 | 557 | 372, 907 | 92, 264 | 247 |
| 25-29..... | 5, 307, 391 | 4, 259, 871 | 803 | 4, 892, 533 | 4, 107, 160 | 839 | 414, 858 | 152, 711 | 368 |
| 30-34..... | 4, 413, 873 | 4, 427, 942 | 1, 003 | 4, 058, 220 | 4, 265, 530 | 1, 051 | 355, 653 | 162, 413 | 457 |
| 35-39..... | 3, 630, 698 | 4, 044, 586 | 1, 114 | 3, 323, 127 | 3, 885, 937 | 1, 169 | 307, 571 | 158, 649 | 516 |
| 40-44..... | 2, 954, 731 | 3, 482, 696 | 1, 179 | 2, 730, 950 | 3, 360, 730 | 1, 231 | 223, 781 | 121, 966 | 545 |
| 45-49..... | 2, 474, 404 | 2, 961, 803 | 1, 197 | 2, 320, 495 | 2, 877, 472 | 1, 240 | 153, 909 | 84, 332 | 548 |
| 50-54..... | 1, 931, 030 | 2, 254, 263 | 1, 167 | 1, 822, 138 | 2, 196, 671 | 1, 206 | 108, 892 | 57, 592 | 529 |
| 55-59..... | 1, 336, 534 | 1, 489, 637 | 1, 115 | 1, 267, 896 | 1, 454, 529 | 1, 147 | 68, 638 | 35, 108 | 511 |
| 60-64..... | 809, 083 | 864, 574 | 1, 069 | 774, 474 | 847, 541 | 1, 094 | 34, 609 | 17, 033 | 492 |
| 65-69..... | 385, 937 | 390, 411 | 1, 012 | 367, 453 | 382, 595 | 1, 041 | 18, 484 | 7, 816 | 423 |
| 70 and over... | 177, 630 | 185, 845 | 1, 046 | 171, 082 | 183, 163 | 1, 071 | 6, 548 | 2, 682 | 410 |
| Unknown..... | 51, 167 | 20, 396 | 399 | 36, 564 | 16, 921 | 463 | 14, 603 | 3, 475 | 238 |
| Male | | | | | | | | | |
| Total... | 23, 049, 437 | \$23, 320, 586 | \$1, 012 | 21, 194, 515 | \$22, 508, 282 | \$1, 062 | 1, 854, 922 | \$812, 304 | \$438 |
| Under 20..... | 1, 625, 117 | 350, 759 | 216 | 1, 502, 399 | 335, 568 | 223 | 122, 718 | 15, 191 | 124 |
| 20-24..... | 3, 688, 568 | 2, 164, 877 | 587 | 3, 380, 180 | 2, 084, 171 | 617 | 308, 388 | 80, 706 | 262 |
| 25-29..... | 3, 646, 410 | 3, 325, 972 | 912 | 3, 308, 865 | 3, 193, 775 | 965 | 337, 545 | 132, 198 | 392 |
| 30-34..... | 3, 182, 586 | 3, 646, 690 | 1, 146 | 2, 894, 099 | 3, 505, 373 | 1, 211 | 288, 487 | 141, 317 | 490 |
| 35-39..... | 2, 703, 222 | 3, 434, 867 | 1, 271 | 2, 449, 701 | 3, 294, 471 | 1, 345 | 253, 521 | 140, 397 | 554 |
| 40-44..... | 2, 259, 293 | 3, 021, 006 | 1, 337 | 2, 071, 577 | 2, 911, 226 | 1, 405 | 187, 716 | 109, 780 | 585 |
| 45-49..... | 1, 965, 074 | 2, 624, 814 | 1, 336 | 1, 832, 920 | 2, 547, 671 | 1, 390 | 132, 154 | 77, 143 | 584 |
| 50-54..... | 1, 596, 502 | 2, 035, 601 | 1, 275 | 1, 500, 922 | 1, 982, 242 | 1, 321 | 95, 580 | 53, 359 | 558 |
| 55-59..... | 1, 134, 740 | 1, 361, 008 | 1, 199 | 1, 073, 018 | 1, 328, 013 | 1, 238 | 61, 722 | 32, 995 | 535 |
| 60-64..... | 700, 811 | 796, 592 | 1, 137 | 669, 640 | 780, 559 | 1, 166 | 31, 171 | 16, 033 | 514 |
| 65-69..... | 343, 611 | 364, 477 | 1, 061 | 326, 770 | 357, 078 | 1, 093 | 16, 841 | 7, 399 | 439 |
| 70 and over... | 164, 101 | 177, 067 | 1, 079 | 157, 992 | 174, 479 | 1, 104 | 6, 109 | 2, 588 | 424 |
| Unknown..... | 39, 402 | 16, 855 | 428 | 26, 432 | 13, 656 | 517 | 12, 970 | 3, 199 | 247 |
| Female | | | | | | | | | |
| Total... | 9, 013, 773 | \$4, 806, 594 | \$533 | 8, 642, 615 | \$4, 705, 853 | \$544 | 371, 158 | \$100, 741 | \$271 |
| Under 20..... | 1, 042, 236 | 212, 779 | 204 | 1, 019, 327 | 210, 965 | 207 | 22, 909 | 1, 815 | 79 |
| 20-24..... | 2, 234, 811 | 1, 016, 740 | 455 | 2, 170, 292 | 1, 005, 182 | 463 | 64, 519 | 11, 558 | 179 |
| 25-29..... | 1, 660, 981 | 933, 899 | 562 | 1, 583, 668 | 913, 386 | 577 | 77, 313 | 20, 513 | 265 |
| 30-34..... | 1, 231, 287 | 781, 252 | 635 | 1, 164, 121 | 760, 156 | 653 | 67, 166 | 21, 096 | 314 |
| 35-39..... | 927, 476 | 609, 719 | 657 | 873, 426 | 591, 467 | 677 | 54, 050 | 18, 252 | 338 |
| 40-44..... | 695, 438 | 461, 690 | 664 | 659, 373 | 449, 503 | 682 | 36, 065 | 12, 186 | 338 |
| 45-49..... | 509, 330 | 336, 990 | 662 | 487, 575 | 329, 801 | 676 | 21, 755 | 7, 188 | 330 |
| 50-54..... | 334, 528 | 218, 662 | 654 | 321, 216 | 214, 429 | 668 | 13, 312 | 4, 233 | 318 |
| 55-59..... | 201, 794 | 128, 628 | 637 | 194, 878 | 126, 516 | 649 | 6, 916 | 2, 112 | 305 |
| 60-64..... | 108, 272 | 67, 982 | 628 | 104, 834 | 66, 981 | 639 | 3, 438 | 1, 000 | 291 |
| 65-69..... | 42, 326 | 25, 934 | 613 | 40, 683 | 25, 517 | 627 | 1, 643 | 417 | 254 |
| 70 and over... | 13, 529 | 8, 778 | 649 | 13, 090 | 8, 684 | 663 | 439 | 94 | 213 |
| Unknown..... | 11, 765 | 3, 541 | 301 | 10, 132 | 3, 265 | 322 | 1, 633 | 276 | 169 |

¹ See table B-3, footnote 1.

² Age at birthday nearest July 1, 1939.

³ See table B-3, footnote 4.

⁴ Presented to last digit for convenience in summation; figures cannot be taken as accurate to last unit given because data based on sample.

⁵ Total represents sum of unrounded figures; therefore may differ slightly from sum of rounded amounts. Cents dropped in tabulating individual wages.

⁶ Includes races other than Negro.

Table B-5.—Old-age and survivors insurance: Claims for monthly benefits and lump-sum payments under 1939 amendments received, awarded, disallowed, withdrawn, and pending, by month, January 1940–June 1941

| Period | Received | Awarded ¹ | Disallowed | Withdrawn | Pending |
|---------------------------------------|----------|----------------------|------------|-----------|---------|
| Cumulative through June 30, 1941..... | 591, 082 | 531, 869 | 32, 455 | 12, 534 | 14, 224 |
| January–June 1940..... | 177, 606 | 137, 199 | 5, 417 | 3, 550 | 31, 440 |
| January..... | 27, 586 | 11, 149 | 0 | 3 | 16, 434 |
| February..... | 25, 439 | 18, 108 | 2 | 267 | 23, 496 |
| March..... | 27, 950 | 23, 021 | 11 | 977 | 27, 437 |
| April..... | 29, 204 | 25, 649 | 1, 692 | 983 | 28, 317 |
| May..... | 35, 674 | 29, 967 | 2, 408 | 743 | 30, 873 |
| June..... | 31, 753 | 29, 305 | 1, 304 | 577 | 31, 440 |
| Fiscal year 1940–41..... | 413, 476 | 394, 670 | 27, 038 | 8, 984 | 14, 224 |
| July..... | 40, 785 | 34, 350 | 1, 443 | 690 | 35, 742 |
| August..... | 35, 244 | 29, 173 | 1, 679 | 674 | 39, 460 |
| September..... | 31, 500 | 37, 856 | 2, 328 | 717 | 30, 059 |
| October..... | 34, 133 | 35, 514 | 2, 613 | 930 | 25, 135 |
| November..... | 30, 229 | 29, 685 | 2, 214 | 641 | 22, 824 |
| December..... | 31, 246 | 28, 317 | 1, 954 | 661 | 23, 138 |
| January..... | 35, 228 | 34, 103 | 2, 310 | 796 | 21, 157 |
| February..... | 33, 543 | 35, 593 | 2, 108 | 948 | 16, 051 |
| March..... | 37, 405 | 35, 795 | 2, 805 | 852 | 14, 004 |
| April..... | 37, 160 | 33, 383 | 2, 732 | 714 | 14, 335 |
| May..... | 33, 104 | 31, 300 | 2, 430 | 713 | 12, 996 |
| June..... | 33, 899 | 29, 601 | 2, 422 | 648 | 14, 224 |

¹ For January 1940–March 1941, represents claims allowed which were not necessarily fully processed for record purposes when count was made; for April–June 1941, represents claims awarded, i. e., allowed and fully processed.

Table B-6.—Old-age and survivors insurance: Beneficiaries on monthly benefit rolls and monthly amount payable, by type of benefit and payment status, June 30, 1941

[Corrected to July 15, 1941]

| Type of benefit | Total | | Payment status ¹ | | | | | |
|------------------------------------|--------------------|-------------------|-----------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| | | | Current | | Deferred | | Conditional | |
| | Benefi- ciaries | Monthly amount | Benefi- ciaries | Monthly amount | Benefi- ciaries | Monthly amount | Benefi- ciaries | Monthly amount |
| Total..... | 372, 339 | \$6, 815, 164 | 336, 240 | \$6, 095, 575 | 3, 019 | \$63, 920 | 33, 080 | \$655, 669 |
| Primary..... | 184, 545 | 4, 187, 238 | 160, 401 | 3, 635, 737 | 2, 350 | 54, 675 | 21, 794 | 496, 826 |
| Wife's..... | 49, 365 | 597, 778 | 44, 320 | 537, 140 | 375 | 4, 609 | 4, 670 | 56, 029 |
| Child's ² | 91, 428 | 1, 114, 016 | 88, 091 | 1, 076, 136 | 149 | 1, 456 | 3, 188 | 36, 424 |
| Widow's ³ | 9, 709 | 197, 141 | 9, 567 | 193, 834 | 100 | 2, 398 | 42 | 909 |
| Widow's current ⁴ | 35, 861 | 700, 441 | 32, 444 | 634, 351 | 38 | 691 | 3, 379 | 65, 399 |
| Parent's..... | 1, 431 | 18, 550 | 1, 417 | 18, 377 | 7 | 91 | 7 | 82 |

¹ Benefit in current-payment status is subject to no deduction from current month's benefit or only to deduction of fixed amount which is less than current month's benefit; benefit in deferred-payment status is subject to deduction of fixed amount which equals or exceeds current month's benefit; benefit in conditional-payment status is subject to deduction of entire benefit for current and each subsequent month for indefinite period.

² Payable to child of primary beneficiary or of deceased insured worker.

³ Payable to widow aged 65 or over of deceased fully insured worker.

⁴ Payable to widow who has in her care child of deceased insured worker entitled to child's benefit.

Table B-7.—*Old-age and survivors insurance: Beneficiaries on monthly benefit rolls,¹ by State and type of benefit, June 30, 1941*

[Corrected to July 15, 1941]

| State ² | Total | Primary | Wife's | Child's | Widow's | Widow's current | Parent's |
|---------------------------|----------|----------|---------|---------|---------|--------------------|----------|
| Total..... | 372, 339 | 184, 545 | 49, 365 | 91, 428 | 9, 709 | 35, 861 | 1, 431 |
| Alabama..... | 5, 641 | 2, 382 | 487 | 1, 985 | 66 | 691 | 30 |
| Alaska..... | 73 | 44 | 4 | 17 | 1 | 5 | 2 |
| Arizona..... | 982 | 400 | 82 | 365 | 11 | 123 | 1 |
| Arkansas..... | 2, 504 | 1, 096 | 249 | 808 | 31 | 309 | 11 |
| California..... | 21, 840 | 12, 424 | 2, 767 | 4, 250 | 523 | 1, 779 | 97 |
| Colorado..... | 2, 755 | 1, 475 | 327 | 630 | 56 | 259 | 8 |
| Connecticut..... | 7, 053 | 3, 320 | 1, 051 | 1, 619 | 336 | 699 | 28 |
| Delaware..... | 897 | 511 | 138 | 159 | 31 | 54 | 4 |
| District of Columbia..... | 1, 505 | 718 | 157 | 413 | 47 | 169 | 1 |
| Florida..... | 4, 891 | 2, 410 | 549 | 1, 364 | 79 | 470 | 19 |
| Georgia..... | 5, 350 | 2, 119 | 443 | 2, 073 | 74 | 609 | 32 |
| Hawaii..... | 1, 289 | 611 | 60 | 506 | 2 | 109 | 1 |
| Idaho..... | 978 | 460 | 100 | 290 | 11 | 110 | 7 |
| Illinois..... | 25, 550 | 12, 937 | 3, 459 | 5, 839 | 639 | 2, 571 | 105 |
| Indiana..... | 10, 452 | 5, 222 | 1, 514 | 2, 466 | 252 | 962 | 36 |
| Iowa..... | 5, 119 | 2, 738 | 831 | 1, 030 | 110 | 397 | 13 |
| Kansas..... | 3, 244 | 1, 721 | 449 | 700 | 93 | 268 | 13 |
| Kentucky..... | 6, 191 | 2, 580 | 636 | 2, 186 | 108 | 650 | 31 |
| Louisiana..... | 3, 916 | 1, 684 | 330 | 1, 290 | 85 | 504 | 23 |
| Maine..... | 3, 181 | 1, 768 | 486 | 591 | 96 | 229 | 11 |
| Maryland..... | 5, 165 | 2, 483 | 604 | 1, 356 | 188 | 506 | 28 |
| Massachusetts..... | 18, 995 | 10, 212 | 3, 126 | 3, 502 | 635 | 1, 462 | 58 |
| Michigan..... | 15, 032 | 6, 525 | 1, 896 | 4, 459 | 412 | 1, 691 | 49 |
| Minnesota..... | 5, 762 | 3, 088 | 822 | 1, 215 | 138 | 485 | 14 |
| Mississippi..... | 2, 253 | 974 | 164 | 804 | 27 | 264 | 20 |
| Missouri..... | 8, 891 | 4, 754 | 1, 226 | 1, 861 | 252 | 757 | 41 |
| Montana..... | 1, 152 | 558 | 122 | 310 | 43 | 117 | 2 |
| Nebraska..... | 2, 039 | 1, 100 | 292 | 440 | 40 | 161 | 6 |
| Nevada..... | 248 | 117 | 12 | 86 | 3 | 27 | 3 |
| New Hampshire..... | 2, 555 | 1, 456 | 449 | 433 | 67 | 147 | 3 |
| New Jersey..... | 15, 806 | 8, 102 | 2, 410 | 3, 209 | 580 | 1, 447 | 58 |
| New Mexico..... | 630 | 241 | 37 | 253 | 7 | 89 | 3 |
| New York..... | 50, 545 | 27, 363 | 7, 634 | 9, 426 | 1, 499 | 4, 460 | 163 |
| North Carolina..... | 6, 549 | 2, 550 | 572 | 2, 563 | 85 | 747 | 32 |
| North Dakota..... | 502 | 244 | 51 | 143 | 9 | 54 | 1 |
| Ohio..... | 24, 100 | 12, 048 | 3, 513 | 5, 545 | 722 | 2, 192 | 80 |
| Oklahoma..... | 3, 135 | 1, 327 | 276 | 1, 051 | 48 | 428 | 5 |
| Oregon..... | 3, 431 | 1, 957 | 501 | 615 | 93 | 251 | 14 |
| Pennsylvania..... | 39, 039 | 18, 701 | 5, 408 | 9, 779 | 1, 128 | 3, 873 | 150 |
| Rhode Island..... | 3, 275 | 1, 781 | 590 | 554 | 126 | 210 | 14 |
| South Carolina..... | 3, 469 | 1, 202 | 262 | 1, 477 | 43 | 461 | 24 |
| South Dakota..... | 625 | 325 | 86 | 146 | 12 | 55 | 1 |
| Tennessee..... | 5, 532 | 2, 424 | 515 | 1, 868 | 89 | 602 | 34 |
| Texas..... | 10, 005 | 4, 265 | 893 | 3, 356 | 146 | 1, 306 | 39 |
| Utah..... | 1, 366 | 546 | 143 | 461 | 25 | 187 | 4 |
| Vermont..... | 1, 456 | 798 | 224 | 280 | 37 | 115 | 2 |
| Virginia..... | 5, 641 | 2, 248 | 506 | 2, 059 | 109 | 689 | 30 |
| Washington..... | 6, 181 | 3, 543 | 855 | 1, 127 | 137 | 496 | 23 |
| West Virginia..... | 6, 304 | 2, 339 | 612 | 2, 483 | 97 | 750 | 23 |
| Wisconsin..... | 8, 564 | 4, 384 | 1, 388 | 1, 746 | 249 | 773 | 24 |
| Wyoming..... | 465 | 220 | 34 | 147 | 7 | 57 | 0 |
| Foreign..... | 216 | 50 | 23 | 93 | 5 | 35 | 10 |

¹ Regardless of payment status of benefits; see table B-6 for beneficiaries with benefits in current-payment status and for footnotes explaining types of benefit.

² State in which beneficiary resided June 30, 1941.

Table B-8.—Old-age and survivors insurance: Monthly amount payable¹ to beneficiaries on monthly benefit rolls, by State and type of benefit, June 30, 1941

[Corrected to July 15, 1941]

| State ² | Total | Primary | Wife's | Child's | Widow's | Widow's current | Parent's |
|---------------------------|-------------|-------------|-----------|-------------|-----------|--------------------|----------|
| Total..... | \$6,815,164 | \$4,187,238 | \$597,778 | \$1,114,016 | \$197,141 | \$700,441 | \$18,550 |
| Alabama..... | 84,377 | 47,123 | 5,111 | 19,659 | 1,037 | 11,107 | 340 |
| Alaska..... | 1,529 | 1,047 | 56 | 267 | 25 | 124 | 10 |
| Arizona..... | 16,852 | 9,041 | 1,043 | 4,305 | 203 | 2,250 | 10 |
| Arkansas..... | 35,829 | 20,118 | 2,469 | 7,722 | 611 | 4,784 | 125 |
| California..... | 431,624 | 290,957 | 34,785 | 56,217 | 10,857 | 37,469 | 1,339 |
| Colorado..... | 51,397 | 33,606 | 3,953 | 7,660 | 1,126 | 4,959 | 93 |
| Connecticut..... | 135,259 | 78,753 | 13,284 | 21,387 | 7,003 | 14,431 | 401 |
| Delaware..... | 16,805 | 11,357 | 1,626 | 2,041 | 600 | 1,139 | 42 |
| District of Columbia..... | 28,217 | 16,617 | 1,970 | 5,172 | 956 | 3,490 | 12 |
| Florida..... | 83,622 | 52,987 | 6,621 | 14,296 | 1,522 | 7,965 | 231 |
| Georgia..... | 77,521 | 40,969 | 4,522 | 20,349 | 1,484 | 9,854 | 343 |
| Hawaii..... | 18,520 | 10,908 | 549 | 5,140 | 32 | 1,881 | 10 |
| Idaho..... | 17,082 | 10,153 | 1,167 | 3,473 | 191 | 2,005 | 93 |
| Illinois..... | 495,753 | 305,655 | 43,205 | 78,114 | 13,237 | 54,089 | 1,453 |
| Indiana..... | 189,926 | 117,049 | 17,564 | 30,897 | 5,006 | 18,972 | 438 |
| Iowa..... | 88,995 | 57,451 | 9,398 | 12,273 | 2,072 | 7,639 | 162 |
| Kansas..... | 56,336 | 36,450 | 4,897 | 8,092 | 1,779 | 4,960 | 158 |
| Kentucky..... | 96,118 | 52,785 | 7,021 | 23,019 | 2,046 | 10,903 | 344 |
| Louisiana..... | 62,071 | 33,495 | 3,496 | 14,264 | 1,622 | 8,905 | 289 |
| Maine..... | 55,202 | 36,930 | 5,660 | 6,519 | 1,831 | 4,142 | 120 |
| Maryland..... | 91,843 | 54,141 | 7,198 | 16,612 | 3,683 | 9,850 | 359 |
| Massachusetts..... | 368,142 | 239,429 | 39,435 | 45,468 | 13,167 | 29,843 | 800 |
| Michigan..... | 277,158 | 160,939 | 23,344 | 58,767 | 8,581 | 34,875 | 652 |
| Minnesota..... | 112,502 | 72,856 | 10,406 | 15,863 | 2,981 | 10,210 | 186 |
| Mississippi..... | 31,610 | 17,982 | 1,553 | 7,303 | 528 | 4,054 | 190 |
| Missouri..... | 162,794 | 104,983 | 14,586 | 22,807 | 5,003 | 14,890 | 525 |
| Montana..... | 21,367 | 12,616 | 1,550 | 3,956 | 873 | 2,342 | 30 |
| Nebraska..... | 36,320 | 23,578 | 3,304 | 5,328 | 816 | 3,213 | 81 |
| Nevada..... | 4,714 | 2,786 | 155 | 1,129 | 49 | 558 | 37 |
| New Hampshire..... | 44,477 | 30,890 | 4,929 | 4,684 | 1,302 | 2,633 | 39 |
| New Jersey..... | 317,904 | 198,945 | 31,488 | 43,646 | 12,285 | 30,709 | 831 |
| New Mexico..... | 9,514 | 4,854 | 441 | 2,568 | 157 | 1,457 | 37 |
| New York..... | 995,441 | 645,058 | 94,537 | 127,824 | 31,103 | 94,606 | 2,313 |
| North Carolina..... | 92,288 | 48,313 | 5,658 | 24,791 | 1,435 | 11,716 | 375 |
| North Dakota..... | 8,575 | 5,208 | 570 | 1,625 | 172 | 989 | 11 |
| Ohio..... | 458,926 | 282,803 | 43,849 | 71,540 | 14,819 | 44,816 | 1,099 |
| Oklahoma..... | 52,517 | 28,233 | 3,148 | 12,138 | 950 | 7,987 | 61 |
| Oregon..... | 64,169 | 43,852 | 5,971 | 7,428 | 1,842 | 4,891 | 185 |
| Pennsylvania..... | 721,096 | 432,295 | 65,749 | 122,414 | 22,714 | 75,939 | 1,985 |
| Rhode Island..... | 61,361 | 40,603 | 7,150 | 6,861 | 2,503 | 4,051 | 193 |
| South Carolina..... | 47,219 | 22,955 | 2,656 | 13,720 | 768 | 6,861 | 259 |
| South Dakota..... | 11,097 | 7,087 | 1,085 | 1,691 | 216 | 1,007 | 11 |
| Tennessee..... | 84,585 | 48,011 | 5,456 | 19,212 | 1,650 | 9,892 | 364 |
| Texas..... | 161,619 | 87,551 | 9,628 | 37,289 | 2,808 | 23,900 | 443 |
| Utah..... | 24,273 | 12,498 | 1,738 | 5,775 | 512 | 3,700 | 50 |
| Vermont..... | 26,112 | 17,366 | 2,605 | 3,236 | 786 | 2,094 | 25 |
| Virginia..... | 86,656 | 45,665 | 5,561 | 21,460 | 2,065 | 11,523 | 382 |
| Washington..... | 119,170 | 81,716 | 10,415 | 14,168 | 2,731 | 9,832 | 308 |
| West Virginia..... | 102,837 | 51,283 | 7,154 | 28,706 | 1,871 | 13,543 | 280 |
| Wisconsin..... | 164,049 | 103,309 | 17,378 | 22,170 | 5,283 | 15,598 | 311 |
| Wyoming..... | 8,274 | 4,825 | 381 | 1,814 | 139 | 1,115 | 0 |
| Foreign..... | 3,520 | 1,157 | 303 | 1,157 | 109 | 679 | 115 |

¹ Without adjustment for deductions required under sec. 203 or 907 of the Social Security Act Amendments of 1939; see table B-6 for amount of benefits in current-payment status and for footnotes explaining types of benefit.

² State in which beneficiary resided June 30, 1941.

Table B-9.—Old-age and survivors insurance: Number of individuals for whom monthly benefits and lump-sum payments were certified and amount certified, by month of certification and type of payment, fiscal year 1940-41

[In thousands]

| Month | Monthly benefits ¹ | | | | | | | | Lump-sum payments | |
|-------------------------------|-------------------------------|--------------|-----------|--|--|---------------------------|---|---------------|----------------------------------|----------------------|
| | Total | Pri- mary | Wife's | Child of pri- mary bene- ficiary | Child of de- ceased insured worker | Wid- ow's ² | Wid- ow's cur- rent ³ | Par- ent's | Under 1939 amend- ments | Under 1935 act |
| Beneficiaries ⁴ | | | | | | | | | Deceased workers | |
| July..... | 120.8 | 66.6 | 15.3 | 4.4 | 22.8 | 1.5 | 9.9 | 0.3 | 6.3 | 1.3 |
| August..... | 143.4 | 77.9 | 18.9 | 4.8 | 27.7 | 1.9 | 11.8 | .4 | 5.6 | 1.1 |
| September..... | 164.9 | 88.2 | 22.1 | 5.3 | 32.5 | 2.5 | 13.8 | .5 | 7.3 | 1.3 |
| October..... | 190.0 | 99.5 | 25.6 | 5.8 | 38.7 | 3.1 | 16.6 | .7 | 7.5 | 1.1 |
| November..... | 207.4 | 106.7 | 27.9 | 6.1 | 43.5 | 3.8 | 18.7 | .7 | 6.4 | .8 |
| December..... | 225.7 | 114.0 | 30.2 | 6.4 | 49.0 | 4.4 | 20.9 | .8 | 6.7 | .6 |
| January..... | 248.1 | 124.6 | 33.2 | 7.0 | 54.1 | 5.2 | 23.0 | 1.0 | 7.3 | .5 |
| February..... | 267.9 | 132.6 | 35.6 | 7.7 | 59.6 | 6.0 | 25.3 | 1.1 | 8.5 | .5 |
| March..... | 291.9 | 143.1 | 38.7 | 8.9 | 65.2 | 7.1 | 27.8 | 1.1 | 8.6 | .5 |
| April..... | 309.5 | 150.3 | 41.0 | 9.5 | 69.9 | 8.0 | 29.6 | 1.2 | 7.7 | .5 |
| May..... | 327.0 | 157.6 | 43.4 | 10.1 | 74.3 | 8.8 | 31.4 | 1.4 | 7.5 | .4 |
| June..... | 341.2 | 163.0 | 45.1 | 10.7 | 78.4 | 9.6 | 33.0 | 1.4 | 7.1 | .3 |
| Amount certified ⁵ | | | | | | | | | | |
| Total..... | \$57,462.3 | \$34,732.3 | \$5,008.8 | \$1,143.0 | \$8,775.1 | \$1,524.9 | \$6,090.4 | \$187.8 | \$12,298.4 | \$416.7 |
| July..... | 2,711.8 | 1,735.1 | 226.8 | 63.2 | 366.1 | 45.2 | 270.6 | 4.8 | 904.1 | 69.2 |
| August..... | 3,137.9 | 1,997.3 | 272.7 | 68.6 | 429.9 | 54.0 | 303.6 | 11.8 | 804.1 | 52.9 |
| September..... | 3,632.8 | 2,283.0 | 321.2 | 76.8 | 508.7 | 72.5 | 357.6 | 13.0 | 1,039.0 | 61.0 |
| October..... | 4,109.4 | 2,534.8 | 358.7 | 83.9 | 601.5 | 87.4 | 428.4 | 14.7 | 1,064.0 | 54.0 |
| November..... | 4,261.9 | 2,610.2 | 371.0 | 85.0 | 632.0 | 98.6 | 451.5 | 13.6 | 900.0 | 38.9 |
| December..... | 4,583.4 | 2,809.8 | 404.6 | 89.4 | 687.6 | 107.7 | 470.9 | 13.4 | 956.7 | 25.1 |
| January..... | 4,996.5 | 3,065.8 | 440.7 | 96.6 | 743.4 | 122.9 | 511.6 | 15.5 | 1,038.3 | 24.6 |
| February..... | 5,359.6 | 3,183.0 | 465.0 | 109.5 | 842.3 | 151.8 | 589.7 | 18.3 | 1,199.2 | 25.7 |
| March..... | 5,792.2 | 3,419.0 | 501.3 | 110.1 | 928.2 | 174.8 | 640.3 | 18.5 | 1,221.0 | 20.2 |
| April..... | 6,013.1 | 3,547.7 | 523.1 | 114.1 | 962.0 | 188.0 | 657.9 | 20.3 | 1,093.3 | 18.0 |
| May..... | 6,313.9 | 3,713.4 | 552.8 | 120.0 | 1,012.1 | 203.8 | 688.8 | 23.0 | 1,064.7 | 14.9 |
| June..... | 6,549.8 | 3,833.2 | 570.9 | 125.8 | 1,061.3 | 218.2 | 719.5 | 20.9 | 1,014.0 | 12.2 |

¹ Distribution by type of benefit partly estimated.
² Payable to widow aged 65 or over of deceased fully insured worker.
³ Payable to widow who has in her care child of deceased insured worker entitled to child's benefit.
⁴ Differs from number in current-payment status at end of month because of changes in status effective after certification.
⁵ Includes retroactive payments.

• C •

Employment Security

Information from State reports to the Social Security Board on the operations of employment security programs is summarized in this appendix to supplement text discussion of these programs. Significant measures of placement and insurance activities of the 51 State programs are summarized for the United States in table C-1; administrative expenditures and funds budgeted from Federal grants under the Social Security Act and Wagner-Peyser Act and from State and local appropriations are shown, by State, in C-2; and the number and types of public employment offices for each State are given in C-3.

State data relating to placement activities indicate the number of placements, applications for work, and registrants in the active file of public employment offices (C-4); sex and race of applicants placed in jobs in different industry divisions (C-5) and in selected manufacturing industries essential to national defense (C-6); and placements from vocational refresher courses (C-7).

Tables on unemployment compensation, by State, give size-of-firm provisions for coverage, number of subject employers, and number of workers with wage credits (C-8); disposition of new claims for benefits (C-9); weekly average number of beneficiaries, workers receiving first payments, and number of cases in which benefit rights were exhausted during the year (C-10); number of weeks compensated and amount of benefits paid for total and less than total unemployment (C-11); size of benefit payments for total unemployment (C-12); and benefit payments, collections, and funds available (C-13).

Additional data on the employment security program are presented in appendix A, which shows the functions of the Bureau of Employment Security, its personnel (A-1), and obligations incurred for salaries and travel (A-2); Federal appropriations and expenditures for grants under the Social Security Act (checks-cashed basis) and under the Wagner-Peyser Act (checks issued) (A-3); advances certified by the Board for Federal grants to each State under these acts (A-4); and State deposits in the Federal unemployment trust fund and withdrawals from that fund for unemployment benefit payments and for transfers to the railroad unemployment insurance account (A-6). The introduction to appendix A explains the reasons for differences in the total amounts reported for certain items appearing in more than one table and indicates sources of current data on employment security and related programs.

Table C-1.—*Employment security: Selected data, by fiscal year, 1937-38—1940-41, and by month, fiscal year 1940-41*

| Period | Employment service | | | | Unemployment compensation ¹ | | |
|----------------|------------------------------|--------------|-------------|-----------------------|--|-----------------------------------|------------------------------|
| | Active file at end of period | Applications | Placements | | Continued claims | Weeks of unemployment compensated | Amount of benefit payments |
| | | | Complete | Supplementary | | | |
| Fiscal year: | | | | | | | |
| 1937-38----- | 7, 831, 063 | 12, 014, 212 | 2, 900, 056 | (²) | ³ 22, 941, 295 | (⁴) | ⁵ \$179, 622, 358 |
| 1938-39----- | 6, 282, 598 | 14, 143, 382 | 3, 134, 011 | ² 567, 283 | 53, 361, 405 | (⁴) | 446, 147, 917 |
| 1939-40----- | 5, 734, 450 | 16, 174, 271 | 3, 536, 908 | 1, 079, 258 | 63, 977, 611 | ⁴ 27, 889, 213 | 482, 510, 753 |
| 1940-41----- | 5, 126, 192 | 17, 884, 420 | 4, 639, 299 | 1, 635, 796 | 53, 542, 474 | ⁵ 41, 742, 991 | ⁵ 433, 367, 154 |
| 1940 | | | | | | | |
| July----- | 5, 564, 671 | 1, 400, 941 | 308, 101 | 114, 426 | 7, 292, 385 | 5, 500, 719 | 55, 740, 735 |
| August----- | 5, 210, 660 | 1, 273, 828 | 330, 738 | 168, 545 | 5, 881, 273 | 5, 037, 053 | 51, 695, 427 |
| September----- | 4, 910, 827 | 1, 206, 914 | 352, 571 | 277, 157 | 4, 257, 691 | 3, 607, 640 | 36, 594, 227 |
| October----- | 4, 618, 504 | 1, 391, 254 | 407, 494 | 317, 472 | 4, 005, 716 | 3, 175, 104 | 32, 230, 658 |
| November----- | 4, 568, 415 | 1, 333, 491 | 364, 799 | 135, 355 | 3, 622, 146 | 2, 894, 054 | 29, 560, 940 |
| December----- | 4, 758, 697 | 1, 494, 985 | 377, 697 | 89, 165 | 4, 008, 156 | 2, 976, 330 | 30, 886, 070 |
| 1941 | | | | | | | |
| January----- | 5, 093, 476 | 1, 816, 359 | 363, 163 | 92, 523 | 4, 930, 669 | 3, 737, 484 | 39, 270, 163 |
| February----- | 5, 101, 417 | 1, 373, 295 | 344, 335 | 67, 075 | 4, 046, 847 | 3, 261, 460 | 34, 610, 683 |
| March----- | 5, 170, 193 | 1, 606, 120 | 376, 308 | 53, 124 | 3, 738, 046 | 3, 153, 960 | 33, 607, 834 |
| April----- | 5, 097, 026 | 1, 825, 169 | 443, 180 | 45, 817 | 4, 269, 547 | 2, 550, 992 | 26, 997, 704 |
| May----- | 5, 156, 288 | 1, 538, 883 | 500, 115 | 121, 815 | 3, 914, 066 | 2, 967, 048 | 31, 573, 799 |
| June----- | 5, 126, 192 | 1, 623, 181 | 470, 798 | 153, 322 | 3, 575, 932 | 2, 876, 885 | 30, 554, 685 |

¹ Number of States paying benefits: July 1936-December 1937, 1; January-March 1938, 23; April-June 1938, 25; July-August 1938, 28; September-November 1938, 29; December 1938, 31; January-June 1939, 49; July 1939-June 1941, 51.

² Not reported prior to October 1938.

³ For January-June 1938 only; \$2,146,817 in benefits paid prior to 1938.

⁴ Not reported prior to January 1940.

⁵ Includes some data not allocated by month.

Table C-2.—*Employment security: Budgets for State administration approved by the Social Security Board, source of funds budgeted, administrative expenditures, and budgetary balance, by State, fiscal year 1940-41*

| State | Approved budget | Source of funds budgeted | | | Adminis- trative ex- pendi- tures ² | Budgetary balance |
|---------------------------|--------------------|---|-----------------------------------|---------------------------------|---|----------------------|
| | | Federal ¹ | | State and local ³ | | |
| | | Under So- cial Secu- rity Act, title III | Under Wagner- Peyser Act | | | |
| Total..... | \$71, 856, 392 | \$65, 299, 091 | \$3, 230, 855 | \$3, 326, 446 | \$68, 711, 334 | \$3, 145, 058 |
| Alabama..... | 778, 353 | 648, 353 | 65, 000 | 65, 000 | 773, 614 | 4, 739 |
| Alaska..... | 88, 383 | 68, 383 | 10, 000 | 10, 000 | 77, 100 | 11, 283 |
| Arizona..... | 303, 352 | 277, 272 | 13, 040 | 13, 040 | 298, 497 | 4, 855 |
| Arkansas..... | 554, 826 | 464, 986 | 44, 920 | 44, 920 | 530, 853 | 23, 973 |
| California..... | 5, 067, 262 | 4, 780, 386 | 143, 438 | 143, 438 | 4, 963, 121 | 104, 141 |
| Colorado..... | 528, 096 | 476, 096 | 26, 000 | 26, 000 | 495, 312 | 32, 784 |
| Connecticut..... | 1, 501, 909 | 1, 420, 723 | 40, 593 | 40, 593 | 1, 425, 549 | 76, 360 |
| Delaware..... | 240, 970 | 217, 091 | 11, 029 | 12, 850 | 236, 480 | 4, 490 |
| District of Columbia..... | 318, 115 | 318, 115 | | | 310, 475 | 7, 640 |
| Florida..... | 707, 021 | 633, 891 | 36, 565 | 36, 565 | 711, 689 | ³ -4, 668 |
| Georgia..... | 1, 044, 538 | 894, 538 | 75, 000 | 75, 000 | 1, 028, 060 | 16, 478 |
| Hawaii..... | 164, 337 | 134, 337 | 15, 000 | 15, 000 | 148, 560 | 15, 777 |
| Idaho..... | 288, 304 | 262, 060 | 11, 244 | 15, 000 | 281, 510 | 6, 794 |
| Illinois..... | 5, 346, 798 | 4, 977, 128 | 184, 835 | 184, 835 | 4, 867, 244 | 479, 554 |
| Indiana..... | 1, 925, 953 | 1, 762, 329 | 81, 812 | 81, 812 | 1, 795, 298 | 130, 655 |
| Iowa..... | 776, 777 | 637, 061 | 69, 858 | 69, 858 | 713, 034 | 63, 743 |
| Kansas..... | 583, 046 | 452, 216 | 65, 415 | 65, 415 | 546, 000 | 37, 046 |
| Kentucky..... | 946, 682 | 811, 834 | 67, 424 | 67, 424 | 892, 086 | 54, 596 |
| Louisiana..... | 863, 422 | 761, 610 | 50, 906 | 50, 906 | 861, 225 | 2, 197 |
| Maine..... | 501, 548 | 462, 748 | 19, 400 | 19, 400 | 477, 155 | 24, 393 |
| Maryland..... | 877, 314 | 797, 314 | 40, 000 | 40, 000 | 859, 419 | 17, 895 |
| Massachusetts..... | 3, 481, 948 | 3, 275, 214 | 103, 367 | 103, 367 | 3, 290, 178 | 191, 770 |
| Michigan..... | 3, 373, 403 | 3, 125, 493 | 123, 955 | 123, 955 | 3, 178, 626 | 194, 777 |
| Minnesota..... | 1, 453, 608 | 1, 328, 564 | 62, 522 | 62, 522 | 1, 402, 897 | 50, 711 |
| Mississippi..... | 490, 164 | 392, 798 | 48, 683 | 48, 683 | 481, 382 | 8, 782 |
| Missouri..... | 1, 855, 316 | 1, 633, 788 | 110, 764 | 110, 764 | 1, 833, 076 | 22, 240 |
| Montana..... | 329, 833 | 281, 650 | 13, 580 | 34, 603 | 324, 263 | 5, 570 |
| Nebraska..... | 458, 041 | 384, 834 | 35, 610 | 37, 597 | 428, 653 | 29, 388 |
| Nevada..... | 189, 033 | 167, 693 | 10, 670 | 10, 670 | 186, 438 | 2, 595 |
| New Hampshire..... | 355, 555 | 327, 433 | 13, 122 | 15, 000 | 339, 648 | 15, 907 |
| New Jersey..... | 3, 184, 345 | 2, 926, 530 | 102, 095 | 155, 720 | 3, 102, 473 | 81, 872 |
| New Mexico..... | 216, 552 | 195, 162 | 10, 695 | 10, 695 | 203, 698 | 12, 854 |
| New York..... | 9, 095, 494 | 8, 485, 662 | 304, 916 | 304, 916 | 8, 876, 716 | 218, 778 |
| North Carolina..... | 1, 289, 634 | 1, 119, 378 | 85, 128 | 85, 128 | 1, 209, 597 | 80, 037 |
| North Dakota..... | 263, 343 | 230, 343 | 16, 500 | 16, 500 | 239, 889 | 23, 454 |
| Ohio..... | 3, 715, 643 | 3, 372, 463 | 171, 590 | 171, 590 | 3, 681, 379 | 34, 264 |
| Oklahoma..... | 779, 065 | 661, 065 | 59, 000 | 59, 000 | 716, 605 | 62, 460 |
| Oregon..... | 856, 046 | 807, 858 | 24, 094 | 24, 094 | 828, 154 | 27, 892 |
| Pennsylvania..... | 6, 752, 794 | 6, 200, 348 | 276, 223 | 276, 223 | 6, 289, 101 | 463, 693 |
| Rhode Island..... | 759, 533 | 724, 799 | 17, 367 | 17, 367 | 741, 892 | 17, 641 |
| South Carolina..... | 644, 088 | 559, 852 | 42, 118 | 42, 118 | 604, 576 | 39, 512 |
| South Dakota..... | 208, 642 | 175, 078 | 16, 782 | 16, 782 | 187, 593 | 21, 049 |
| Tennessee..... | 1, 074, 219 | 921, 791 | 76, 214 | 76, 214 | 1, 042, 345 | 31, 874 |
| Texas..... | 2, 537, 418 | 2, 170, 326 | 183, 546 | 183, 546 | 2, 391, 055 | 146, 363 |
| Utah..... | 328, 052 | 303, 450 | 12, 301 | 12, 301 | 319, 732 | 8, 320 |
| Vermont..... | 244, 238 | 224, 238 | 10, 000 | 10, 000 | 237, 033 | 7, 205 |
| Virginia..... | 1, 001, 637 | 882, 057 | 59, 790 | 59, 790 | 972, 515 | 29, 122 |
| Washington..... | 1, 081, 859 | 1, 002, 867 | 39, 496 | 39, 496 | 1, 063, 851 | 18, 008 |
| West Virginia..... | 995, 308 | 905, 308 | 45, 000 | 45, 000 | 896, 211 | 99, 097 |
| Wisconsin..... | 1, 237, 376 | 1, 077, 379 | 74, 248 | 85, 749 | 1, 159, 080 | 78, 296 |
| Wyoming..... | 197, 199 | 177, 199 | 10, 000 | 10, 000 | 190, 397 | 6, 802 |

¹ See table A-4 for advances certified by the Social Security Board.

² Reported by State agencies.

³ Represents excess of expenditures over approved budget.

Table C-3.—*Employment service: Number of local offices of State employment services, by type of office, and number of localities with itinerant service, by State, June 30, 1941*

| State | Full-time local offices | | | | Localities with itinerant service | State | Full-time local offices | | | | Localities with itinerant service |
|--------|-------------------------|---------|------------|------------------|-----------------------------------|---------|-------------------------|---------|------------|------------------|-----------------------------------|
| | Total | General | Divisional | Limited function | | | Total | General | Divisional | Limited function | |
| Total | 1,498 | 1,329 | 69 | 100 | 3,159 | Mo. | 37 | 28 | 4 | 5 | 98 |
| Ala. | 27 | 26 | 0 | 1 | 73 | Mont. | ² 30 | 30 | 0 | 0 | 0 |
| Alaska | 5 | 5 | 0 | 0 | 0 | Nebr. | 20 | 19 | 0 | 1 | 87 |
| Ariz. | 12 | 12 | 0 | 0 | 41 | Nev. | 9 | 9 | 0 | 0 | 41 |
| Ark. | ¹ 21 | 21 | 0 | 0 | 61 | N. H. | 12 | 12 | 0 | 0 | 36 |
| Calif. | 76 | 70 | 4 | 2 | 37 | N. J. | 35 | 35 | 0 | 0 | 21 |
| Colo. | 33 | 28 | 0 | 5 | 15 | N. Mex. | 12 | 12 | 0 | 0 | 13 |
| Conn. | 18 | 18 | 0 | 0 | 11 | N. Y. | 96 | 79 | 6 | 11 | 41 |
| Del. | 4 | 4 | 0 | 0 | 5 | N. C. | 56 | 36 | 20 | 0 | 150 |
| D. C. | 3 | 0 | 3 | 0 | 0 | N. Dak. | 12 | 11 | 0 | 1 | 65 |
| Fla. | 25 | 22 | 3 | 0 | 108 | Ohio | 66 | 64 | 0 | 2 | 47 |
| Ga. | 34 | 33 | 0 | 1 | 145 | Okla. | 30 | 28 | 0 | 2 | 71 |
| Hawaii | 4 | 4 | 0 | 0 | 4 | Oreg. | 22 | 22 | 0 | 0 | 41 |
| Idaho | 24 | 24 | 0 | 0 | 46 | Pa. | 84 | 73 | 0 | 11 | 156 |
| Ill. | 56 | 42 | 0 | 14 | 110 | R. I. | 13 | 9 | 0 | 4 | 4 |
| Ind. | 28 | 27 | 0 | 1 | 87 | S. C. | 19 | 19 | 0 | 0 | 39 |
| Iowa | 33 | 32 | 0 | 1 | 68 | S. Dak. | 13 | 12 | 0 | 1 | 1 |
| Kans. | 27 | 27 | 0 | 0 | 98 | Tenn. | 35 | 23 | 12 | 0 | 139 |
| Ky. | 23 | 19 | 2 | 2 | 112 | Tex. | ¹ 95 | 91 | 4 | 0 | 160 |
| La. | 22 | 20 | 2 | 0 | 81 | Utah | 9 | 9 | 0 | 0 | 13 |
| Maine | 14 | 13 | 0 | 1 | 12 | Vt. | 8 | 7 | 0 | 1 | 76 |
| Md. | 14 | 14 | 0 | 0 | 21 | Va. | 35 | 33 | 2 | 0 | 115 |
| Mass. | 35 | 29 | 0 | 6 | 49 | Wash. | 30 | 20 | 0 | 10 | 51 |
| Mich. | 51 | 39 | 0 | 12 | 95 | W. Va. | 24 | 23 | 0 | 1 | 49 |
| Minn. | 39 | 35 | 4 | 0 | 90 | Wis. | 32 | 25 | 3 | 4 | 175 |
| Miss. | 25 | 25 | 0 | 0 | 80 | Wyo. | 11 | 11 | 0 | 0 | 21 |

¹Texarkana office included in Texas data.
²Includes 7 general offices maintained solely by local funds.

Table C-4.—*Employment service: Placements and applications, fiscal year 1940-41, and active file, June 30, 1940 and 1941, by State*

| State | Placements | | Applications | Active file, June 30— | |
|---------------------------|-------------|--------------------|--------------|-----------------------|-------------|
| | Complete | Supple- mentary | | 1940 | 1941 |
| Total..... | 4, 639, 299 | 1, 635, 796 | 17, 884, 420 | 5, 734, 450 | 5, 126, 192 |
| Alabama..... | 54, 933 | 2, 657 | 332, 496 | 115, 237 | 111, 590 |
| Alaska..... | 8, 549 | 339 | 13, 921 | 1, 621 | 1, 149 |
| Arizona..... | 29, 773 | 60, 422 | 73, 722 | 26, 064 | 20, 487 |
| Arkansas..... | 79, 649 | 202, 874 | 165, 928 | 45, 052 | 81, 526 |
| California..... | 336, 287 | 89, 012 | 1, 364, 741 | 486, 309 | 343, 390 |
| Colorado..... | 63, 508 | 10, 512 | 184, 993 | 59, 039 | 54, 363 |
| Connecticut..... | 89, 707 | 742 | 255, 815 | 85, 335 | 44, 702 |
| Delaware..... | 16, 710 | 832 | 41, 677 | 12, 370 | 8, 736 |
| District of Columbia..... | 57, 921 | 65 | 152, 759 | 38, 681 | 23, 568 |
| Florida..... | 85, 939 | 4, 403 | 299, 816 | 68, 932 | 117, 842 |
| Georgia..... | 103, 475 | 3, 201 | 333, 640 | 174, 209 | 117, 345 |
| Hawaii..... | 12, 392 | 137 | 23, 008 | 9, 130 | 5, 164 |
| Idaho..... | 32, 344 | 19, 884 | 85, 946 | 14, 341 | 34, 938 |
| Illinois..... | 214, 567 | 11, 710 | 831, 525 | 193, 563 | 250, 962 |
| Indiana..... | 128, 196 | 16, 639 | 484, 937 | 171, 579 | 227, 345 |
| Iowa..... | 85, 520 | 7, 033 | 236, 600 | 81, 551 | 68, 881 |
| Kansas..... | 69, 774 | 4, 438 | 231, 982 | 59, 970 | 62, 610 |
| Kentucky..... | 39, 788 | 1, 635 | 225, 451 | 95, 993 | 95, 092 |
| Louisiana..... | 75, 204 | 28, 432 | 318, 700 | 89, 037 | 121, 028 |
| Maine..... | 33, 120 | 329 | 124, 704 | 45, 844 | 26, 948 |
| Maryland..... | 62, 664 | 2, 066 | 250, 459 | 72, 511 | 42, 914 |
| Massachusetts..... | 81, 177 | 737 | 550, 018 | 222, 216 | 134, 835 |
| Michigan..... | 155, 875 | 3, 333 | 743, 083 | 252, 172 | 139, 108 |
| Minnesota..... | 80, 678 | 4, 624 | 312, 280 | 137, 803 | 96, 435 |
| Mississippi..... | 50, 585 | 3, 117 | 249, 378 | 52, 033 | 81, 268 |
| Missouri..... | 137, 266 | 42, 063 | 603, 157 | 187, 124 | 216, 350 |
| Montana..... | 22, 812 | 5, 302 | 62, 369 | 25, 864 | 15, 255 |
| Nebraska..... | 35, 849 | 733 | 125, 531 | 47, 346 | 46, 337 |
| Nevada..... | 15, 402 | 2, 033 | 34, 447 | 5, 530 | 3, 662 |
| New Hampshire..... | 23, 695 | 2, 246 | 78, 685 | 24, 478 | 15, 366 |
| New Jersey..... | 155, 076 | 1, 348 | 628, 293 | 264, 132 | 193, 564 |
| New Mexico..... | 22, 089 | 9, 667 | 65, 525 | 35, 528 | 24, 247 |
| New York..... | 451, 743 | 13, 559 | 2, 260, 544 | 676, 505 | 544, 225 |
| North Carolina..... | 168, 667 | 49, 760 | 424, 889 | 94, 655 | 96, 662 |
| North Dakota..... | 44, 093 | 3, 868 | 76, 364 | 30, 232 | 30, 545 |
| Ohio..... | 236, 566 | 6, 939 | 929, 709 | 313, 221 | 276, 038 |
| Oklahoma..... | 51, 795 | 34, 173 | 232, 890 | 86, 474 | 64, 061 |
| Oregon..... | 79, 602 | 112, 491 | 228, 978 | 40, 229 | 29, 929 |
| Pennsylvania..... | 192, 815 | 12, 265 | 1, 425, 583 | 372, 175 | 333, 713 |
| Rhode Island..... | 19, 369 | 276 | 111, 200 | 43, 809 | 40, 674 |
| South Carolina..... | 64, 926 | 2, 954 | 160, 031 | 50, 012 | 51, 492 |
| South Dakota..... | 19, 217 | 1, 109 | 50, 623 | 27, 199 | 23, 518 |
| Tennessee..... | 89, 238 | 194, 167 | 231, 874 | 125, 324 | 134, 259 |
| Texas..... | 387, 373 | 602, 738 | 917, 073 | 256, 863 | 379, 971 |
| Utah..... | 22, 831 | 1, 805 | 88, 940 | 22, 709 | 21, 509 |
| Vermont..... | 13, 472 | 269 | 33, 266 | 19, 366 | 9, 069 |
| Virginia..... | 104, 713 | 3, 971 | 265, 575 | 58, 760 | 70, 523 |
| Washington..... | 76, 535 | 43, 487 | 342, 135 | 105, 375 | 33, 540 |
| West Virginia..... | 40, 159 | 3, 677 | 233, 578 | 86, 896 | 63, 121 |
| Wisconsin..... | 98, 854 | 5, 496 | 342, 387 | 115, 747 | 90, 923 |
| Wyoming..... | 16, 807 | 227 | 43, 195 | 8, 305 | 5, 413 |

Table C-5.—*Employment service: Complete placements, by industry division and by sex and race of worker, fiscal year 1940-41*

| Industry division | Total | Men | | Women | |
|--|-------------|-------------|----------|-------------|----------|
| | | White | Other | White | Other |
| Total..... | 4, 639, 299 | 2, 371, 355 | 520, 343 | 1, 350, 054 | 397, 547 |
| Agriculture, forestry, and fishery..... | 316, 661 | 237, 869 | 44, 207 | 23, 912 | 10, 673 |
| Mining..... | 25, 421 | 22, 819 | 1, 979 | 610 | 13 |
| Construction..... | 882, 223 | 690, 258 | 187, 166 | 4, 641 | 158 |
| Manufacturing..... | 945, 459 | 564, 832 | 50, 051 | 312, 747 | 17, 829 |
| Transportation, communication, and other public utilities..... | 119, 902 | 93, 059 | 20, 078 | 6, 641 | 124 |
| Wholesale and retail trade..... | 757, 958 | 330, 912 | 64, 918 | 347, 321 | 14, 807 |
| Finance, insurance, and real estate..... | 37, 718 | 18, 131 | 4, 089 | 14, 663 | 835 |
| Service..... | 1, 546, 046 | 406, 511 | 147, 492 | 638, 953 | 353, 090 |
| Domestic service..... | 999, 398 | 138, 295 | 69, 082 | 458, 986 | 333, 035 |
| Regular government agencies..... | 88, 554 | 63, 451 | 13, 522 | 10, 876 | 705 |
| Government relief projects..... | 61, 576 | 36, 103 | 4, 874 | 18, 654 | 1, 945 |
| All other..... | 396, 518 | 168, 662 | 60, 014 | 150, 437 | 17, 405 |
| Establishments not elsewhere classified..... | 7, 911 | 6, 964 | 363 | 566 | 18 |

Table C-6.—*Employment service: Complete placements in selected manufacturing industries essential to national defense, by industry and by sex and race of worker, January-June 1941*

| Industry ¹ | Total | Men | | Women | |
|---|----------|----------|--------|---------|-------|
| | | White | Other | White | Other |
| Total..... | 234, 326 | 196, 157 | 6, 688 | 31, 196 | 285 |
| Aircraft and parts..... | 39, 745 | 38, 387 | 209 | 1, 145 | 4 |
| Automobiles and automobile equipment..... | 13, 754 | 11, 469 | 351 | 1, 923 | 11 |
| Clocks and watches..... | 1, 924 | 846 | 0 | 1, 078 | 0 |
| Electrical machinery..... | 29, 521 | 18, 306 | 99 | 11, 093 | 23 |
| Hardwood distillation, charcoal, and naval stores..... | 179 | 132 | 39 | 8 | 0 |
| Industrial chemicals..... | 14, 177 | 12, 323 | 515 | 1, 334 | 5 |
| Industrial rubber goods..... | 820 | 640 | 4 | 176 | 0 |
| Iron and steel and their products..... | 43, 950 | 37, 112 | 1, 798 | 5, 015 | 25 |
| Lighting fixtures..... | 1, 429 | 1, 055 | 35 | 332 | 7 |
| Machinery (except electrical)..... | 42, 983 | 37, 980 | 751 | 4, 234 | 18 |
| Miscellaneous chemical products..... | 3, 444 | 2, 288 | 116 | 1, 011 | 29 |
| Motoreycles, bicycles, and parts..... | 155 | 129 | 0 | 26 | 0 |
| Nonferrous metal products not elsewhere classified..... | 7, 605 | 6, 498 | 185 | 918 | 4 |
| Petroleum refining..... | 4, 109 | 3, 508 | 386 | 213 | 2 |
| Primary alloying, and rolling and drawing of nonferrous metals (except aluminum)..... | 1, 814 | 1, 576 | 21 | 214 | 3 |
| Professional and scientific instruments, photographic apparatus, and optical goods..... | 2, 702 | 1, 946 | 27 | 728 | 1 |
| Railroad equipment..... | 4, 086 | 3, 964 | 33 | 89 | 0 |
| Ship and boat building and repairing..... | 18, 564 | 16, 220 | 2, 050 | 292 | 2 |
| Surgical, medical, and dental instruments, equipment, and supplies..... | 2, 112 | 895 | 35 | 1, 031 | 151 |
| Tires and inner tubes..... | 1, 253 | 883 | 34 | 336 | 0 |

¹ A description of these industries appears in Social Security Board, Bureau of Employment Security, *Industrial Classification Code*, 1939, vol. I, pt. 2.

Table C-7.—Employment service: Complete placements from pre-employment refresher courses, by age group, race, type of course, and occupation of person placed, January-June 1941

| | <i>Placements</i> |
|--|-------------------|
| Total..... | 32,430 |
| Age group (years): | |
| Under 21..... | 7,975 |
| 21-24..... | 9,291 |
| 25-44..... | 13,438 |
| 45 and over..... | 1,721 |
| Unspecified..... | 5 |
| Race: | |
| White..... | 32,161 |
| Other..... | 264 |
| Unspecified..... | 5 |
| Type of course: | |
| Aviation services..... | 12,454 |
| Drafting and blueprinting..... | 478 |
| Machine shop..... | 12,932 |
| Sheet-metal work..... | 1,752 |
| Welding..... | 1,685 |
| All other..... | 3,129 |
| Occupation in which placed: | |
| Professional and managerial..... | 457 |
| Clerical and sales..... | 626 |
| Service..... | 320 |
| Agricultural, fishery, and forestry..... | 61 |
| Skilled..... | 10,870 |
| Semiskilled..... | 15,367 |
| Unskilled..... | 3,759 |
| Unspecified..... | 970 |

Table C-8.—*Unemployment compensation: Statutory size-of-firm provisions for fiscal year 1940-41, subject employers as of March 31, 1941, and workers with wage credits in 1940*

| State | Statutory size-of-firm provisions for coverage (number of workers) ¹ | Subject employers as of Mar. 31, 1941 ² | Workers with wage credits in 1940 ³ | State | Statutory size-of-firm provisions for coverage (number of workers) ¹ | Subject employers as of Mar. 31, 1941 ² | Workers with wage credits in 1940 ³ |
|-------------|---|--|--|-------------|---|--|--|
| Total.. | ----- | 846, 795 | 434,643,800 | Mo..... | 8 or more | 12, 617 | 804, 100 |
| Ala..... | 8 or more | 5, 307 | 448, 600 | Mont..... | 1 or more ¹⁰ | 9, 112 | 131, 900 |
| Alaska..... | do..... | 567 | 23, 700 | Nebr..... | 8 or more | 3, 582 | 177, 000 |
| Ariz..... | 3 or more | 4, 007 | 112, 700 | Nev..... | 1 or more ¹¹ | 3, 083 | 48, 400 |
| Ark..... | 1 or more | 18, 471 | 271, 800 | N. H..... | 4 or more | 4, 190 | 159, 000 |
| Calif..... | 4 or more | 49, 712 | 2, 191, 000 | N. J..... | 8 or more | 24, 773 | ⁵ 1,400, 000 |
| Colo..... | 8 or more | 4, 373 | ⁵ 222, 000 | N. Mex..... | 2 or more ¹² | 4, 975 | 95, 800 |
| Conn..... | 5 or more | 10, 545 | ⁵ 780, 000 | N. Y..... | 4 or more | ¹³ 142, 002 | 4, 800, 000 |
| Del..... | 1 or more | 5, 547 | ⁵ 103, 000 | N. C..... | 8 or more | 9, 320 | 714, 100 |
| D. C..... | do..... | 17, 145 | ⁵ 248, 000 | N. Dak..... | do..... | 1, 436 | 50, 700 |
| Fla..... | 8 or more | 6, 921 | 508, 300 | Ohio..... | 3 or more | 57, 701 | ⁵ 2,250, 000 |
| Ga..... | do..... | 7, 253 | 570, 500 | Okla..... | 8 or more | 5, 672 | 308, 000 |
| Hawaii..... | 1 or more | 4, 924 | ⁵ 125, 000 | Oreg..... | 4 or more ¹⁴ | 9, 731 | 313, 200 |
| Idaho..... | do. ⁶ | 9, 151 | ⁵ 111, 000 | Pa..... | 1 or more | 150, 263 | ⁵ 3,300, 000 |
| Ill..... | 6 or more | 41, 541 | 2, 479, 500 | R. I..... | 4 or more | 6, 458 | 288, 000 |
| Ind..... | 8 or more | 10, 660 | 901, 100 | S. C..... | 8 or more | 3, 911 | 346, 500 |
| Iowa..... | do..... | 8, 031 | 394, 800 | S. Dak..... | do..... | 1, 680 | 58, 300 |
| Kans..... | do..... | 4, 888 | 254, 000 | Tenn..... | do..... | 6, 370 | 489, 400 |
| Ky..... | (⁷)..... | 8, 268 | 427, 700 | Tex..... | do..... | 16, 675 | 1, 185, 300 |
| La..... | 4 or more ⁸ | 11, 569 | 547, 200 | Utah..... | 1 or more ¹⁵ | 6, 657 | ⁵ 128, 500 |
| Maine..... | 8 or more | 3, 682 | 221, 200 | Vt..... | 8 or more | 1, 666 | 79, 500 |
| Md..... | 4 or more | 12, 239 | 570, 000 | Va..... | do..... | 8, 024 | 597, 000 |
| Mass..... | do..... | 34, 088 | 1, 446, 000 | Wash..... | do..... | 7, 782 | 452, 500 |
| Mich..... | 8 or more | 16, 826 | 1, 556, 000 | W. Va..... | do..... | 4, 432 | 418, 800 |
| Minn..... | 1 or more ⁹ | 28, 702 | 528, 100 | Wis..... | 6 or more ¹⁶ | 12, 502 | ⁵ 700, 000 |
| Miss..... | 8 or more | 3, 348 | 245, 300 | Wyo..... | 1 or more ¹⁷ | 4, 416 | 61, 300 |

¹ Different individuals employed in specified number of weeks in current or preceding calendar year.

² A subject employer is an employing unit (or group of units) which is subject to the State unemployment compensation law and which for the purpose of determining liability is considered 1 legal entity.

³ Estimated number of different workers in each State with wages in covered employment some time in 1940.

⁴ Not corrected for unknown number of workers who had wage credits in more than 1 State.

⁵ Preliminary.

⁶ And total wages of \$78 or more in 1 quarter.

⁷ Wages of at least \$50 to each of at least 4 workers in each of 3 quarters; or 8 or more workers within 20 weeks of calendar year.

⁸ Or, to Jan. 1, 1941, 12 or more in 10 weeks.

⁹ Excludes services for employers not subject to Federal unemployment tax and not located in a city, village, or borough of 10,000 or more population, if employer has paid all past contributions.

¹⁰ And total annual wages of \$500 or more; beginning Jan. 1, 1941, 1 or more or total annual wages of \$500 or more.

¹¹ And total wages of \$225 or more in 1 quarter.

¹² Or total wages of \$450 or more in 1 quarter.

¹³ As of May 31, 1941.

¹⁴ And total wages of \$500 or more in 1 quarter.

¹⁵ And total wages of \$140 or more in 1 quarter.

¹⁶ Or total annual wages of \$6,000 or more, if employer's records do not permit accurate count of workers.

¹⁷ And total wages of \$150 or more in 1 quarter.

Table C-9.—Unemployment compensation: New claims disposed of on first determination, number allowed, and number disallowed by reason for disallowance, by State, fiscal year 1940-41

| State | Total | Allowed | Disallowed | | | |
|---------------------------------|-----------|-----------|------------------------|---------------------------|----------------|----------------|
| | | | Total | Insufficient wage credits | No wage record | Other |
| Fiscal year 1939-40, total..... | 7,590,769 | 6,234,335 | ¹ 1,356,434 | 775,083 | 442,810 | 115,838 |
| Fiscal year 1940-41, total..... | 5,793,730 | 4,806,759 | ¹ 986,971 | 599,912 | 315,797 | 65,942 |
| Alabama..... | 73,943 | 63,115 | 10,828 | 8,024 | 2,804 | 0 |
| Alaska..... | 5,732 | 4,078 | 1,654 | 808 | 548 | 298 |
| Arizona..... | 17,811 | 14,991 | 2,820 | 2,269 | 457 | 94 |
| Arkansas..... | 54,542 | 41,026 | 13,516 | 7,201 | 6,315 | 0 |
| California..... | 445,898 | 355,933 | 89,965 | 65,848 | 24,117 | 0 |
| Colorado..... | 40,419 | 30,630 | 9,789 | 6,035 | 2,713 | 1,041 |
| Connecticut..... | 70,656 | 55,658 | 14,998 | 5,438 | 2,410 | 7,150 |
| Delaware..... | 14,835 | 12,191 | 2,644 | 1,891 | 753 | 0 |
| District of Columbia..... | 26,292 | 22,719 | 3,573 | 2,183 | 699 | 691 |
| Florida..... | 100,950 | 52,248 | 48,702 | 42,538 | 5,207 | 957 |
| Georgia..... | 89,342 | 69,545 | 19,797 | 11,805 | 7,062 | 930 |
| Hawaii..... | 5,835 | 5,043 | 792 | 585 | 196 | 11 |
| Idaho..... | 21,093 | 15,842 | 5,251 | 3,929 | 587 | 735 |
| Illinois..... | 399,298 | 336,970 | 62,328 | 31,664 | 27,395 | 3,269 |
| Indiana..... | 86,343 | 78,555 | 7,788 | 7,641 | 147 | 0 |
| Iowa..... | 66,938 | 49,389 | 17,549 | 8,030 | 2,859 | 6,660 |
| Kansas..... | 35,131 | 30,676 | 4,455 | 2,533 | 1,922 | 0 |
| Kentucky..... | 73,912 | 56,118 | 17,794 | 12,514 | 5,280 | 0 |
| Louisiana..... | 120,620 | 84,929 | 35,691 | 23,877 | 11,814 | 0 |
| Maine..... | 43,016 | 36,838 | 6,178 | 3,032 | 3,146 | 0 |
| Maryland..... | 70,754 | 64,589 | 6,165 | 3,567 | 2,598 | 0 |
| Massachusetts..... | 267,740 | 223,323 | 44,417 | 25,482 | 9,818 | 9,117 |
| Michigan..... | 333,063 | 295,538 | 37,525 | 27,663 | 9,662 | 200 |
| Minnesota..... | 95,195 | 77,122 | 18,073 | 14,080 | 3,993 | 0 |
| Mississippi..... | 47,885 | 34,028 | 13,857 | 9,480 | 3,204 | 1,173 |
| Missouri..... | 121,809 | 104,611 | 17,198 | 7,199 | 8,776 | 1,223 |
| Montana..... | 27,898 | 25,344 | 2,554 | 1,441 | 819 | 294 |
| Nebraska..... | 26,038 | 17,618 | 8,420 | 6,312 | 2,108 | 0 |
| Nevada..... | 10,211 | 7,971 | 2,240 | 1,070 | 647 | 523 |
| New Hampshire..... | 26,803 | 23,586 | 3,217 | 2,287 | 930 | 0 |
| New Jersey..... | 252,098 | 230,793 | 21,305 | 10,705 | 9,262 | 1,338 |
| New Mexico..... | 15,758 | 11,462 | 4,296 | 2,887 | 1,409 | 0 |
| New York..... | 965,367 | 800,793 | 164,574 | 98,943 | 65,631 | 0 |
| North Carolina..... | 144,156 | 107,526 | 36,630 | 16,158 | 17,911 | 2,561 |
| North Dakota..... | 8,280 | 6,221 | 2,059 | 1,242 | 745 | 72 |
| Ohio..... | 206,318 | 177,004 | 29,314 | ² 8,738 | 3,437 | 17,139 |
| Oklahoma..... | 57,560 | 47,448 | 10,112 | 4,355 | 4,605 | 1,152 |
| Oregon..... | 52,045 | 46,402 | 5,643 | 3,704 | 1,462 | 477 |
| Pennsylvania..... | 528,484 | 489,214 | 39,270 | 24,376 | 14,894 | 0 |
| Rhode Island..... | 68,585 | 61,218 | 7,367 | 5,460 | 1,831 | 76 |
| South Carolina..... | 66,690 | 47,171 | 19,519 | 16,048 | 3,471 | 0 |
| South Dakota..... | 8,998 | 7,610 | 1,388 | 540 | 537 | 311 |
| Tennessee..... | 88,134 | 68,348 | 19,786 | 14,347 | 5,439 | 0 |
| Texas..... | 163,140 | 121,220 | 41,920 | 19,349 | 20,830 | 1,741 |
| Utah..... | 19,379 | 15,655 | 3,724 | 3,059 | 663 | 2 |
| Vermont..... | 11,193 | 9,262 | 1,931 | 1,467 | 464 | 0 |
| Virginia..... | 76,703 | 67,180 | 9,523 | 5,709 | 1,644 | 2,170 |
| Washington..... | 95,802 | 76,515 | 19,287 | 12,245 | 7,005 | 37 |
| West Virginia..... | 65,495 | 53,956 | 11,539 | 2,327 | 5,168 | 4,044 |
| Wisconsin ³ | 68,220 | 62,900 | 5,320 | ⁽⁴⁾ | ⁽⁴⁾ | ⁽⁴⁾ |
| Wyoming..... | 11,323 | 8,637 | 2,686 | 1,827 | 403 | 456 |

¹ Includes some disallowed claims not classified by reason for disallowance.

² Disallowed because of insufficient weeks of employment in base period.

³ Represents all initial claims for total and part-total unemployment; excludes claims for partial unemployment.

⁴ Provision of State law not comparable.

Table C-10.—*Unemployment compensation: Weekly average of beneficiaries, first payments issued, exhaustions of benefit rights, and exhaustion ratios, by State, fiscal year 1940-41*

| State | Weekly average of beneficiaries | First payments issued | Exhaustions of benefit rights | Ratio (percent) of exhaustions to first payments |
|---------------------------|---------------------------------|-----------------------|-------------------------------|--|
| Total..... | 802,750 | 1 3,859,216 | 1 2,151,556 | 1 55.8 |
| Alabama..... | 11,992 | 44,169 | 22,861 | 51.8 |
| Alaska..... | 630 | 4,173 | 1,874 | 44.9 |
| Arizona..... | 1,945 | 10,746 | 7,746 | 72.1 |
| Arkansas..... | 8,264 | 34,929 | 20,410 | 58.4 |
| California..... | 86,678 | 324,809 | 166,224 | 51.2 |
| Colorado..... | 6,233 | 26,066 | 14,259 | 54.7 |
| Connecticut..... | 6,566 | 42,272 | 23,000 | 54.4 |
| Delaware..... | 1,579 | 10,025 | 6,349 | 63.3 |
| District of Columbia..... | 3,984 | 16,472 | 6,297 | 38.2 |
| Florida..... | 11,565 | 49,441 | 33,269 | 67.3 |
| Georgia..... | 10,792 | 52,700 | 43,359 | 82.3 |
| Hawaii..... | 526 | 3,186 | 1,829 | 57.4 |
| Idaho..... | 3,133 | 13,694 | 9,090 | 66.4 |
| Illinois..... | 59,062 | 287,200 | 143,653 | 50.0 |
| Indiana..... | 13,216 | (²) | (²) | ----- |
| Iowa..... | 7,077 | 43,061 | 23,008 | 53.4 |
| Kansas..... | 3,796 | 26,159 | 15,899 | 60.8 |
| Kentucky..... | 10,049 | 38,966 | 22,647 | 58.1 |
| Louisiana..... | 15,055 | 69,138 | 49,923 | 72.2 |
| Maine..... | 7,269 | 30,771 | 14,153 | 46.0 |
| Maryland..... | 11,302 | 52,982 | 31,554 | 59.6 |
| Massachusetts..... | 48,438 | 196,852 | 108,260 | 55.0 |
| Michigan..... | 34,081 | 238,109 | 56,161 | 23.6 |
| Minnesota..... | 16,152 | 69,130 | 41,664 | 60.3 |
| Mississippi..... | 5,730 | 27,525 | 16,518 | 60.0 |
| Missouri..... | 13,943 | 111,358 | 58,419 | 52.5 |
| Montana..... | 5,195 | 22,400 | 10,543 | 47.1 |
| Nebraska..... | 3,476 | 14,944 | 8,173 | 54.7 |
| Nevada..... | 1,572 | 6,742 | 3,921 | 58.2 |
| New Hampshire..... | 3,671 | 18,914 | 9,402 | 49.7 |
| New Jersey..... | 26,398 | 161,556 | 95,403 | 59.0 |
| New Mexico..... | 2,446 | 10,441 | 5,514 | 52.8 |
| New York..... | 144,752 | 687,265 | 453,499 | 66.0 |
| North Carolina..... | 15,575 | 66,450 | 30,140 | 45.4 |
| North Dakota..... | 1,255 | 5,610 | 3,745 | 66.8 |
| Ohio..... | 36,147 | 136,684 | 79,756 | 58.4 |
| Oklahoma..... | 6,527 | 41,801 | 30,110 | 72.0 |
| Oregon..... | 5,016 | 34,834 | 17,052 | 49.0 |
| Pennsylvania..... | 59,168 | 401,242 | 221,642 | 55.2 |
| Rhode Island..... | 9,274 | 46,800 | 33,140 | 70.8 |
| South Carolina..... | 5,863 | 27,336 | 12,836 | 47.0 |
| South Dakota..... | 1,011 | 4,901 | 2,424 | 49.4 |
| Tennessee..... | 13,771 | 57,715 | 30,555 | 52.9 |
| Texas..... | 19,635 | 105,291 | 67,922 | 64.5 |
| Utah..... | 2,748 | 14,673 | 7,361 | 50.2 |
| Vermont..... | 1,438 | 7,058 | 3,727 | 52.8 |
| Virginia..... | 11,142 | 56,423 | 30,562 | 54.2 |
| Washington..... | 11,763 | 58,580 | 29,542 | 50.4 |
| West Virginia..... | 8,441 | 40,185 | 21,816 | 54.3 |
| Wisconsin..... | 6,053 | (²) | (²) | ----- |
| Wyoming..... | 1,356 | 7,438 | 4,345 | 58.4 |

¹ Excludes Indiana and Wisconsin.² Provision of State law not comparable.

Table C-11.—Unemployment compensation: Weeks of unemployment compensated and amount of benefits paid, by State and type of unemployment, fiscal year 1940-41

| State | Weeks compensated | | | | Benefits paid ¹ (in thousands) | | | |
|---------------------------|-------------------|--------------------|--|---------------------------|---|--------------------|--|---------------------------|
| | Total number | Total unemployment | Partial and part-total unemployment ² | Partial unemployment only | Total amount ⁴ | Total unemployment | Partial and part-total unemployment ² | Partial unemployment only |
| Total..... | 41,742,991 | 37,677,948 | 4,065,043 | ----- | \$433,367 | \$406,105 | \$26,924 | ----- |
| Alabama..... | 623,610 | 584,923 | 38,687 | 17,270 | 4,073 | 3,871 | 198 | \$80 |
| Alaska..... | 32,747 | 31,246 | 1,501 | 0 | 455 | 441 | 14 | 0 |
| Arizona..... | 101,140 | 95,098 | 6,042 | 373 | 1,076 | 1,030 | 46 | 2 |
| Arkansas..... | 429,729 | 400,466 | 29,263 | 1,892 | 2,733 | 2,615 | 118 | 9 |
| California..... | 4,507,269 | 3,891,665 | 615,604 | 425,287 | 62,241 | 56,568 | 5,562 | 3,733 |
| Colorado..... | 324,111 | 285,022 | 39,089 | 25,623 | 3,251 | 2,943 | 307 | 198 |
| Connecticut..... | 341,427 | 300,415 | 41,012 | (⁵) | 3,234 | 2,990 | 239 | (⁵) |
| Delaware..... | 82,130 | 59,343 | 22,787 | 21,410 | 649 | 526 | 122 | 113 |
| District of Columbia..... | 207,148 | 194,827 | 12,321 | (⁵) | 2,398 | 2,260 | 131 | (⁵) |
| Florida..... | 601,355 | 526,341 | 75,014 | (⁵) | 5,906 | 5,368 | 538 | (⁵) |
| Georgia..... | 561,207 | 519,805 | 41,402 | 30,336 | 3,681 | 3,520 | 160 | 118 |
| Hawaii..... | 27,338 | 23,342 | 3,996 | 3,879 | 198 | 177 | 21 | 20 |
| Idaho..... | 162,909 | 154,206 | 8,703 | (⁵) | 1,797 | 1,724 | 73 | (⁵) |
| Illinois..... | 3,071,218 | 2,208,837 | 862,381 | 633,720 | 35,263 | 28,764 | 6,422 | 4,374 |
| Indiana..... | 687,257 | 548,572 | 138,685 | (⁵) | 6,744 | 5,997 | 744 | (⁵) |
| Iowa..... | 368,029 | 313,437 | 54,592 | 14,639 | 3,292 | 2,979 | 308 | 70 |
| Kansas..... | 197,366 | 171,883 | 25,483 | 14,562 | 1,749 | 1,584 | 165 | 88 |
| Kentucky..... | 522,536 | 430,927 | 91,609 | ³ 5,710 | 3,818 | 3,380 | 414 | ³ 6 |
| Louisiana..... | 782,840 | 725,318 | 57,522 | (⁵) | 6,794 | 6,385 | 400 | (⁵) |
| Maine..... | 377,966 | 308,681 | 69,285 | ³ 45,344 | 2,494 | 2,101 | 393 | ³ 261 |
| Maryland..... | 587,680 | 504,950 | 82,730 | 78,101 | 5,334 | 4,843 | 489 | 456 |
| Massachusetts..... | 2,518,774 | 2,359,749 | ² 159,025 | ² 148,867 | 25,229 | 24,342 | ² 875 | ² 809 |
| Michigan..... | 1,772,207 | 1,563,408 | 208,799 | (⁵) | 21,235 | 19,877 | 1,357 | (⁵) |
| Minnesota..... | 839,900 | 770,940 | 68,960 | ³ 7,921 | 8,493 | 7,937 | 555 | ³ 62 |
| Mississippi..... | 297,945 | 279,434 | ² 18,511 | ² 6,995 | 1,919 | 1,824 | ² 95 | ² 37 |
| Missouri..... | 725,055 | 581,799 | 143,256 | 84,724 | 5,970 | 5,260 | 710 | 396 |
| Montana..... | 270,156 | 270,156 | (²) | (²) | 2,972 | 2,972 | (²) | (²) |
| Nebraska..... | 180,761 | 164,100 | 16,661 | 8,615 | 1,623 | 1,502 | 121 | 60 |
| Nevada..... | 81,718 | 74,110 | 7,608 | 2,780 | 1,061 | 985 | 76 | 26 |
| New Hampshire..... | 190,869 | 143,993 | 46,876 | (⁵) | 1,502 | 1,259 | 243 | (⁵) |
| New Jersey..... | 1,372,675 | 1,343,692 | ² 28,983 | (⁵) | 13,541 | 13,353 | ² 184 | (⁵) |
| New Mexico..... | 127,201 | 115,876 | 11,325 | 7,036 | 1,130 | 1,048 | 82 | 48 |
| New York..... | 7,527,099 | 7,527,099 | (²) | (²) | 87,242 | 87,242 | (²) | (²) |
| North Carolina..... | 809,911 | 755,883 | 54,028 | 47,871 | 3,875 | 3,723 | 149 | 122 |
| North Dakota..... | 65,279 | 58,006 | 7,273 | 4,089 | 614 | 557 | 57 | 32 |
| Ohio ⁶ | 1,879,631 | 1,579,693 | 299,938 | (⁵) | 17,452 | 15,965 | 1,439 | (⁵) |
| Oklahoma..... | 339,388 | 288,715 | 50,673 | 7,422 | 3,131 | 2,814 | 317 | 31 |
| Oregon..... | 260,854 | 221,735 | 39,119 | 28,740 | 3,039 | 2,732 | 298 | 210 |
| Pennsylvania..... | 3,076,744 | 3,076,744 | (²) | (²) | 33,794 | 33,794 | (²) | (²) |
| Rhode Island..... | 482,228 | 402,962 | 79,266 | (⁵) | 4,731 | 4,355 | 376 | (⁵) |
| South Carolina..... | 304,860 | 264,026 | 40,834 | 18,449 | 2,003 | 1,814 | 187 | 76 |
| South Dakota..... | 52,586 | 48,982 | 3,604 | (⁵) | 374 | 352 | 22 | (⁵) |
| Tennessee..... | 716,091 | 658,291 | 57,800 | 22,502 | 5,271 | 4,999 | 272 | 96 |
| Texas..... | 1,021,028 | 870,140 | 150,888 | (⁵) | 7,911 | 7,141 | 765 | (⁵) |
| Utah..... | 142,920 | 127,653 | 15,267 | 3,750 | 1,525 | 1,420 | 105 | 26 |
| Vermont..... | 74,789 | 68,136 | 6,653 | 5,096 | 659 | 624 | 34 | 24 |
| Virginia..... | 579,382 | 506,190 | 73,192 | 58,205 | 4,418 | 4,035 | 381 | 286 |
| Washington..... | 611,689 | 530,395 | 81,294 | (⁵) | 7,413 | 6,718 | 695 | (⁵) |
| West Virginia..... | 438,931 | 407,620 | 31,311 | 17,472 | 3,817 | 3,494 | 323 | 202 |
| Wisconsin..... | 314,770 | 282,618 | 32,152 | 16,900 | 3,375 | 3,161 | 214 | 100 |
| Wyoming..... | 70,538 | 56,499 | 14,039 | 8,841 | 868 | 740 | 128 | 75 |

¹ Unadjusted for voided benefit checks.² Benefits for partial and part-total unemployment not provided by State law in Montana, New York, and Pennsylvania. Provision for such payments became effective in New Jersey in April 1941 and in Massachusetts in October 1940. In Mississippi, where provisions for part-total unemployment were in operation previously, benefits for partial unemployment became effective in October 1940.³ Excludes Kentucky data for July-March; Maine, for July-August; and Minnesota, for July-April.⁴ Includes supplemental payments not classified by type of unemployment.⁵ Included with part-total unemployment.⁶ Includes payments arising from recalculation of weekly benefit amounts and payments delayed as a result of labor dispute in mining in 1939.

Table C-12.—Unemployment compensation: Percentage distribution of weeks of total unemployment compensated by amount of benefit payment, for each State, April-June 1941

| State | Number of weeks compensated | Percent of weeks compensated ¹ in amounts of— | | | | Minimum weekly benefit | | Maximum weekly benefit | |
|-----------------------------------|-----------------------------|--|-------------|---------------|-----------------|------------------------|------------------------------------|------------------------|------------------------------------|
| | | Less than \$5.00 | \$5.00-9.99 | \$10.00-14.99 | \$15.00 or more | Amount as of June 30 | Percent of total weeks compensated | Amount as of June 30 | Percent of total weeks compensated |
| Total | 7,697,343 | 3.0 | 36.9 | 31.3 | 28.8 | | | | |
| Alabama ¹ | 110,228 | 19.6 | 59.5 | 13.6 | 7.3 | \$2.00 | 4.0 | \$15 | 7.3 |
| Alaska | 7,003 | | 6.0 | 15.4 | 78.6 | 5.00 | .8 | 16 | 75.1 |
| Arizona | 16,928 | .9 | 43.4 | 29.0 | 26.7 | None | | 15 | 26.7 |
| Arkansas | 105,822 | 22.3 | 52.3 | 19.1 | 6.3 | 3.00 | 12.7 | 15 | 6.3 |
| California | 841,808 | | | 49.4 | 50.6 | 10.00 | 17.5 | 18 | 32.6 |
| Colorado | 57,710 | | 48.6 | 31.8 | 19.6 | 5.00 | 6.8 | 15 | 19.6 |
| Connecticut | 42,382 | | 48.2 | 32.1 | 19.7 | 5.00 | .4 | 15 | 19.7 |
| Delaware | 10,615 | | 59.8 | 24.2 | 16.0 | 5.00 | 17.2 | 15 | 16.0 |
| District of Columbia ² | 42,624 | .1 | 27.6 | 38.2 | 34.1 | 6.00 | 6.5 | 18 | 21.4 |
| Florida | 93,207 | 3.3 | 36.3 | 27.2 | 33.2 | 3.00 | .7 | 15 | 33.2 |
| Georgia ² | 94,405 | 10.3 | 71.4 | 12.1 | 6.2 | 4.00 | ³ 7.5 | 18 | 1.1 |
| Hawaii | 7,280 | | 86.9 | 5.3 | 7.8 | 5.00 | 60.9 | 20 | .2 |
| Idaho | 31,942 | | 33.7 | 47.3 | 19.0 | 5.00 | 3.7 | 18 | 3.1 |
| Illinois | 524,256 | | 15.5 | 36.3 | 48.2 | 7.00 | 4.7 | 16 | 42.2 |
| Indiana | 77,190 | 1.1 | 36.2 | 38.1 | 24.6 | 3.00 | .2 | 15 | 24.6 |
| Iowa | 58,103 | .9 | 53.8 | 29.8 | 15.5 | None | | 15 | 15.5 |
| Kansas ² | 38,283 | (⁴) | 51.3 | 29.8 | 18.9 | 5.00 | 18.2 | 15 | 18.9 |
| Kentucky | 89,998 | 17.6 | 61.6 | 17.4 | 3.4 | ⁵ 4.00 | 6.0 | ⁶ 15 | 3.4 |
| Louisiana | 162,865 | 9.8 | 49.4 | 20.4 | 20.4 | 3.00 | 4.8 | 18 | 14.4 |
| Maine ² | 57,631 | 3.1 | 83.3 | 10.7 | 2.9 | 5.00 | 37.2 | 15 | 2.9 |
| Maryland ² | 136,876 | | 41.8 | 35.0 | 23.2 | 7.00 | 19.7 | 17 | 16.5 |
| Massachusetts | 454,546 | | 46.4 | 27.7 | 25.9 | 6.00 | 17.4 | 15 | 25.9 |
| Michigan | 188,521 | | 39.2 | 32.1 | 28.7 | 6.00 | .8 | 16 | 24.3 |
| Minnesota | 163,015 | | 45.8 | 31.7 | 22.5 | 5.00 | 9.3 | 15 | 22.5 |
| Mississippi ² | 55,341 | 18.4 | 57.6 | 10.6 | 13.4 | 3.00 | 8.4 | 15 | 13.4 |
| Missouri | 104,529 | 5.0 | 56.9 | 24.6 | 13.5 | 2.00 | .5 | 15 | 13.5 |
| Montana | 71,091 | | 36.8 | 31.9 | 31.3 | 5.00 | 7.7 | 15 | 31.3 |
| Nebraska | 30,069 | | 60.1 | 26.8 | 13.1 | 5.00 | 16.7 | 15 | 13.1 |
| Nevada | 14,387 | | 11.0 | 26.4 | 62.6 | 5.00 | .8 | 15 | 62.6 |
| New Hampshire ² | 39,077 | | 65.1 | 26.9 | 8.0 | 6.00 | ³ 21.3 | 15 | 8.0 |
| New Jersey ² | 272,628 | | 37.1 | 32.2 | 30.7 | 7.00 | 11.1 | 18 | 11.5 |
| New Mexico | 24,760 | 13.5 | 48.9 | 23.1 | 14.5 | 3.00 | 4.2 | 15 | 14.5 |
| New York | 1,584,484 | | 33.9 | 32.3 | 33.8 | 7.00 | 16.9 | 15 | 33.8 |
| North Carolina ² | 151,300 | 41.6 | 50.3 | 6.4 | 1.7 | 3.00 | ³ 11.3 | 15 | 1.7 |
| North Dakota | 13,837 | | 54.0 | 28.9 | 17.1 | 5.00 | 13.7 | 15 | 17.1 |
| Ohio | 282,241 | 4.8 | 44.3 | 31.6 | 19.3 | None | | 15 | 19.3 |
| Oklahoma | 67,259 | 4.6 | 48.6 | 28.0 | 18.8 | None | | 15 | 18.8 |
| Oregon | 43,317 | | 20.3 | 31.9 | 47.8 | 10.00 | ⁶ 4.6 | 15 | 47.8 |
| Pennsylvania | 665,946 | | 34.7 | 35.7 | 29.6 | 7.50 | 19.9 | 15 | 29.6 |
| Rhode Island | 117,004 | | 44.1 | 37.9 | 18.0 | 6.00 | .2 | 16 | 14.9 |
| South Carolina | 44,771 | 12.3 | 71.8 | 10.0 | 5.9 | 3.00 | 4.6 | 15 | 5.9 |
| South Dakota ² | 12,223 | 33.8 | 46.8 | 13.7 | 5.7 | 3.00 | 4.4 | 15 | 5.7 |
| Tennessee | 136,194 | 9.2 | 65.6 | 17.1 | 8.1 | 4.00 | 9.2 | 15 | 8.1 |
| Texas | 178,898 | | 68.5 | 18.1 | 13.4 | ⁵ 5.00 | 30.6 | ⁸ 15 | 13.4 |
| Utah | 15,948 | | 35.5 | 29.9 | 34.6 | 5.00 | 4.1 | 16 | 29.8 |
| Vermont ² | 10,915 | .7 | 60.4 | 23.1 | 15.8 | 5.00 | 1.6 | 15 | 15.8 |
| Virginia | 112,154 | 15.2 | 61.4 | 16.5 | 6.9 | 3.00 | 6.4 | 15 | 6.9 |
| Washington | 97,501 | | 21.4 | 31.8 | 46.8 | 7.00 | 7.5 | 15 | 46.8 |
| West Virginia ² | 87,579 | 1.3 | 53.4 | 32.1 | 13.2 | 6.00 | ³ 16.8 | 15 | 13.2 |
| Wisconsin | 37,570 | | 48.2 | 30.8 | 21.0 | 6.00 | 15.2 | ⁷ 15 | 18.6 |
| Wyoming | 13,082 | | 25.1 | 26.5 | 48.4 | 5.00 | 2.8 | 18 | 33.0 |

¹ Excludes final payments for less than benefit rate.² Amendments to State provisions for minimum and/or maximum weekly benefit effective during quarter; data represent payments under both sets of provisions.³ Represents percent of payments within dollar interval including minimum.⁴ Less than 0.05 percent.⁵ State law provides minimum and maximum for benefit period of 14 consecutive days: In Kentucky, \$8 and \$30; in Texas, \$10 and \$30.⁶ Represents percent of payments at minimum of \$7 in effect through June 13.⁷ Under provision of State law, it is possible for some payments to exceed maximum.

Table C-13.—*Unemployment compensation: State funds available for benefits, collections and interest, and benefits paid, by State, fiscal year 1940-41*

| State | Funds available for benefits, June 30 ¹ — | | Fiscal year 1940-41 | | | | |
|--------|--|-----------------|--------------------------|--------------------------|-----------------------|--|----------------------------|
| | 1940 | 1941 | Collections and interest | | | Transfers to railroad unemployment insurance account | Benefits paid ⁴ |
| | | | Total | Collections ² | Interest ³ | | |
| Total | \$1,707,046,087 | \$2,104,873,261 | \$934,342,872 | \$888,449,754 | \$45,893,118 | \$104,099,951 | \$432,415,747 |
| Ala | 14,438,610 | 21,480,709 | 11,099,686 | 10,663,591 | 436,095 | | 4,057,587 |
| Alaska | 1,015,988 | 1,253,559 | 705,521 | 678,517 | 27,004 | 13,379 | 454,571 |
| Ariz | 3,037,329 | 3,865,671 | 2,228,538 | 2,145,673 | 82,865 | 338,235 | 1,061,961 |
| Ark | 7,234,832 | 7,022,908 | 3,583,700 | 3,415,638 | 168,062 | 1,087,846 | 2,707,778 |
| Calif | 154,099,460 | 168,316,950 | 84,164,667 | 80,198,722 | 3,965,945 | 7,803,780 | 62,143,397 |
| Colo | 10,815,286 | 10,960,424 | 4,916,890 | 4,661,517 | 255,373 | 1,528,040 | 3,243,712 |
| Conn | 34,080,003 | 53,716,748 | 22,863,608 | 21,792,500 | 1,071,108 | 8,996 | 3,217,867 |
| Del | 6,503,665 | 8,007,835 | 2,612,747 | 2,440,826 | 171,921 | 461,070 | 647,507 |
| D. C. | 19,313,785 | 21,618,543 | 5,486,973 | 4,991,544 | 495,429 | 790,229 | 2,391,986 |
| Fla | 14,244,570 | 14,467,069 | 7,608,063 | 7,290,386 | 317,677 | 1,508,551 | 5,877,013 |
| Ga | 23,301,687 | 26,840,793 | 9,653,421 | 9,045,530 | 607,891 | 2,438,699 | 3,675,616 |
| Hawaii | 5,739,639 | 7,684,007 | 2,221,795 | 2,057,704 | 164,091 | 79,881 | 197,546 |
| Idaho | 2,598,078 | 2,553,953 | 2,121,747 | 2,058,250 | 63,497 | 373,014 | 1,792,858 |
| Ill | 187,230,988 | 213,671,566 | 75,461,762 | 70,625,481 | 4,836,281 | 13,841,173 | 35,180,011 |
| Ind | 39,787,037 | 54,173,941 | 24,293,995 | 23,152,790 | 1,141,205 | 3,189,592 | 6,717,499 |
| Iowa | 16,224,672 | 18,943,451 | 8,129,100 | 7,713,322 | 415,778 | 2,122,341 | 3,287,980 |
| Kans | 14,861,832 | 15,612,835 | 5,223,142 | 4,863,125 | 360,017 | 2,724,508 | 1,747,631 |
| Ky | 28,947,276 | 34,428,881 | 12,030,576 | 11,255,301 | 775,275 | 2,751,978 | 3,796,993 |
| La | 18,962,009 | 19,376,752 | 8,372,694 | 7,917,996 | 454,698 | 1,179,639 | 6,778,312 |
| Maine | 3,770,969 | 5,350,250 | 4,320,710 | 4,216,072 | 104,638 | 255,337 | 2,486,092 |
| Md | 18,709,933 | 26,549,518 | 14,356,637 | 13,806,434 | 550,203 | 1,195,347 | 5,321,705 |
| Mass | 76,378,255 | 90,793,345 | 41,861,448 | 39,874,081 | 1,987,367 | 2,312,726 | 25,133,632 |
| Mich | 61,032,969 | 96,971,515 | 59,065,175 | 57,207,517 | 1,857,658 | 1,931,486 | 21,195,143 |
| Minn | 23,790,715 | 24,428,819 | 11,625,187 | 11,041,431 | 583,756 | 2,516,982 | 8,470,101 |
| Miss | 4,342,913 | 4,770,874 | 2,936,939 | 2,881,401 | 105,538 | 642,413 | 1,916,565 |
| Mo | 56,005,377 | 67,491,687 | 22,322,235 | 20,827,198 | 1,495,037 | 4,871,464 | 5,964,461 |
| Mont | 6,109,699 | 4,932,567 | 2,976,313 | 2,845,057 | 131,256 | 1,186,104 | 2,967,341 |
| Nebr | 10,422,324 | 9,569,409 | 2,450,180 | 2,212,009 | 238,171 | 1,681,585 | 1,621,510 |
| Nev | 1,493,529 | 1,095,607 | 1,017,543 | 987,375 | 30,168 | 356,735 | 1,058,730 |
| N. H. | 5,683,165 | 7,004,213 | 3,053,769 | 2,900,624 | 153,145 | 238,106 | 1,494,615 |
| N. J. | 115,747,668 | 153,782,571 | 55,816,873 | 52,554,447 | 3,262,426 | 4,268,521 | 13,513,449 |
| N. Mex | 2,854,267 | 2,701,299 | 1,491,073 | 1,425,654 | 65,419 | 514,545 | 1,129,496 |
| N. Y. | 195,993,137 | 237,711,309 | 135,700,330 | 130,462,843 | 5,237,487 | 6,857,977 | 87,124,181 |
| N. C. | 21,934,565 | 30,229,670 | 13,256,672 | 12,643,726 | 612,946 | 1,103,335 | 3,858,232 |
| N. Dak | 2,415,177 | 2,015,134 | 789,668 | 735,866 | 53,802 | 577,480 | 612,231 |
| Ohio | 149,298,481 | 189,038,383 | 65,668,293 | 61,588,845 | 4,079,448 | 8,535,006 | 17,393,385 |
| Okla | 16,144,723 | 18,613,939 | 6,596,286 | 6,170,401 | 425,885 | 1,001,133 | 3,125,937 |
| Oreg | 8,345,010 | 12,114,669 | 7,391,276 | 7,138,348 | 252,928 | 590,392 | 3,031,225 |
| Pa | 114,959,113 | 162,752,686 | 88,215,108 | 84,918,917 | 3,296,191 | 6,698,999 | 33,722,536 |
| R. I. | 9,545,920 | 15,770,269 | 11,069,814 | 10,767,346 | 302,468 | 151,992 | 4,693,473 |
| S. C. | 10,249,019 | 13,775,351 | 5,524,814 | 5,236,419 | 288,395 | 0 | 1,998,482 |
| S. Dak | 3,113,399 | 3,382,512 | 1,045,519 | 965,509 | 80,010 | 403,304 | 373,102 |
| Tenn | 14,232,762 | 16,978,745 | 9,586,395 | 9,215,519 | 370,876 | 1,527,440 | 5,312,972 |
| Tex | 51,794,696 | 59,762,103 | 20,079,204 | 18,711,546 | 1,367,658 | 4,227,030 | 7,884,767 |
| Utah | 3,851,818 | 4,781,674 | 2,968,935 | 2,865,330 | 103,605 | 516,976 | 1,522,103 |
| Vt | 2,702,681 | 3,708,299 | 1,664,374 | 1,584,851 | 79,473 | 0 | 658,706 |
| Va | 19,288,372 | 23,082,834 | 10,659,822 | 10,160,226 | 499,596 | 2,453,850 | 4,411,510 |
| Wash | 21,739,780 | 24,756,338 | 12,090,702 | 11,523,905 | 566,797 | 1,674,679 | 7,399,465 |
| W. Va | 16,557,190 | 22,844,389 | 11,100,004 | 10,647,205 | 452,799 | 1,001,586 | 3,811,219 |
| Wis | 53,667,229 | 61,868,293 | 13,529,323 | 12,134,885 | 1,394,438 | 1,964,430 | 3,363,829 |
| Wyo | 2,434,486 | 2,248,395 | 1,283,676 | 1,230,354 | 53,322 | 602,040 | 867,727 |

¹ Represents sum of balances in State clearing account, benefit-payment account, and unemployment trust fund account maintained in the U. S. Treasury.

² Represents contributions plus such penalties and interest collected from employers and contributions from employees as are available for benefit payments. Figures adjusted for refunds of contributions and for dishonored contribution checks. Employer contributions of 2.7 percent of taxable wages collected in all States except Michigan, where rate was 3 percent. Experience rating, resulting in modified contribution rates, became effective Jan. 1, 1938, in Wisconsin; Jan. 1, 1940, in Indiana, Nebraska, and South Dakota; Jan. 1, 1941, in California, Kansas, Kentucky, Minnesota, New Hampshire, Texas, Vermont, Virginia, and West Virginia; and Apr. 1, 1941, in Alabama, Connecticut, and Hawaii. Employee contributions of 1.5 percent of taxable wages collected in Rhode Island and of 1 percent in Alabama, California, Kentucky, and New Jersey.

³ Represents earnings of State accounts in unemployment trust fund maintained in the U. S. Treasury; data reported by the Treasury.

⁴ Adjusted for voided benefit checks.

• D •

Public Assistance

To supplement text discussion of State public assistance programs, Nation-wide data on recipients and payments in States with and without plans approved under the Social Security Act are summarized in this appendix, which also includes comparable information on State and local programs for general relief, on the Federal program administered by the Farm Security Administration, and on Federal work projects (D-1, D-2). For each State with a plan approved by the Social Security Board for old-age assistance, aid to dependent children, or aid to the blind (special types of public assistance), data are also presented on the number of recipients in June 1941 and applications for assistance pending at the close of the fiscal year (D-3); average payment per recipient and distribution of recipients by size of payment (D-4, D-5, D-6); and expenditures for assistance payments by source of funds (D-7, D-8, D-9). Summarized figures on administrative costs of these approved programs are shown for the United States as a whole in table D-10.

Figures for special types of public assistance in these tables appear on several different bases. Payments and recipients in the continental United States (D-1, D-2) exclude Alaska and Hawaii but include figures, in italics, for State plans which are administered without Federal participation; amounts of payments in these tables represent expenditures for payments to recipients. Average payments to recipients of public assistance in States with approved plans (D-4, D-5, D-6) are based on obligations incurred, while payments by source of funds (D-7, D-8, D-9) represent expenditures for most States. For definitions of terms relating to statistics on public assistance and Federal work programs, see *Social Security Bulletin*, Vol. 4, No. 9 (September 1941), pp. 50-52.

Appendix A contains data pertinent to the public assistance programs, showing the specific functions of the Bureau of Public Assistance, personnel of that bureau (A-1) and obligations incurred for salaries and travel expenses (A-2), Federal appropriations and expenditures (checks cashed) for grants to States (A-3), and grants to the States certified by the Board for the Federal share of assistance payments and administrative expenses (A-4). The introduction to that appendix indicates the reasons for differences between figures presented for similar or more inclusive data and cites sources of current information on public assistance and related programs.

Table D-1.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by State, fiscal year 1940-41 ¹

[In thousands]

| State | Total ¹ | Assistance to recipients | | | | Earnings of persons employed under Federal work programs ⁶ | | | | Earnings on regular Federal construction projects ¹¹ | | |
|----------------------|---------------------------|---|---------------------------|------------------|-----------------------------|---|--|--|----------------------------|---|---|-------------|
| | | Special types of public assistance ³ | | | General relief ⁴ | Subsistence payments certified by the Farm Security Administration ⁵ | Civilian Conservation Corps ⁷ | National Youth Administration ⁸ | | | Other Federal agency projects financed from emergency funds ¹⁰ | |
| | | Old-age assistance | Aid to dependent children | Aid to the blind | | | | Student work program | Out-of-school work program | | | |
| | | | | | | | | | | | | |
| Total | ¹² \$2,515,454 | \$504,255 | \$145,384 | \$22,258 | \$336,939 | \$14,546 | \$201,687 | \$27,077 | \$80,375 | \$1,143,240 | ¹³ \$39,687 | \$1,002,596 |
| Alabama | 36,470 | 2,213 | 964 | 65 | 259 | 1,918 | 7,866 | 559 | 1,861 | 20,222 | 543 | 17,216 |
| Arizona | 12,247 | 2,858 | 970 | 124 | 586 | 774 | 1,931 | 132 | 285 | 4,537 | 50 | 3,592 |
| Arkansas | 30,730 | 2,215 | 941 | 114 | 292 | 147 | 8,531 | 318 | 1,288 | 16,798 | 86 | 5,590 |
| California | 184,070 | 68,344 | 8,741 | 4,187 | 28,439 | 1,711 | 5,492 | 1,683 | 3,352 | 61,315 | 806 | 80,754 |
| Colorado | 38,187 | 15,972 | 2,249 | 205 | 2,056 | 395 | 2,040 | 309 | 723 | 13,201 | 1,037 | 5,157 |
| Connecticut | 23,347 | 5,766 | 2,719 | 137 | 4,203 | 1 | 817 | 207 | 814 | 10,339 | 410 | 11,958 |
| Delaware | 3,077 | 347 | 234 | --- | 272 | 3 | 217 | 33 | 163 | 1,804 | 4 | 2,465 |
| District of Columbia | 13,453 | 1,049 | 427 | 74 | 600 | --- | 584 | 158 | 302 | 8,364 | 1,895 | 28,302 |
| Florida | 32,359 | 5,590 | 1,107 | 139 | 735 | 91 | 3,442 | 300 | 985 | 19,287 | 431 | 27,976 |
| Georgia | 37,134 | 3,993 | 1,165 | 171 | 498 | 664 | 6,987 | 649 | 2,103 | 20,786 | 118 | 18,027 |
| Idaho | 11,069 | 2,445 | 1,051 | 75 | 508 | 193 | 718 | 151 | 365 | 5,516 | 47 | 1,225 |
| Illinois | 189,445 | 37,609 | 2,017 | 2,726 | 40,615 | 142 | 9,002 | 1,599 | 5,135 | 81,925 | 8,675 | 29,584 |
| Indiana | 60,287 | 14,600 | 5,923 | 591 | 4,526 | 47 | 3,590 | 713 | 1,998 | 27,502 | 797 | 44,842 |
| Iowa | 38,188 | 13,943 | 799 | 427 | 4,659 | 40 | 1,947 | 531 | 1,626 | 14,145 | 71 | 3,835 |
| Kansas | 31,389 | 6,555 | 2,287 | 340 | 2,816 | 348 | 2,604 | 532 | 1,164 | 14,671 | 72 | 9,935 |
| Kentucky | 35,527 | 5,715 | 2,180 | --- | 14,559 | 216 | 5,712 | 477 | 1,622 | 20,625 | 421 | 15,303 |
| Louisiana | 36,164 | 5,212 | 4,513 | 224 | 2,025 | 235 | 5,236 | 549 | 1,347 | 16,711 | 112 | 35,653 |
| Maine | 13,310 | 3,255 | 738 | 307 | 2,275 | 55 | 1,206 | 147 | 873 | 4,384 | 70 | 7,703 |
| Maryland | 20,712 | 3,862 | 2,607 | 174 | 2,122 | 30 | 1,371 | 273 | 905 | 8,601 | 767 | 31,666 |
| Massachusetts | 117,843 | 29,994 | 8,746 | 326 | 15,325 | 4 | 4,396 | 750 | 2,631 | 53,955 | 716 | 61,154 |
| Michigan | 93,250 | 15,822 | 9,661 | 302 | 11,834 | 147 | 5,685 | 1,036 | 3,096 | 45,538 | 129 | 11,451 |
| Minnesota | 63,693 | 15,923 | 3,800 | 305 | 8,039 | 282 | 4,935 | 603 | 1,737 | 27,868 | 201 | 3,448 |
| Mississippi | 27,036 | 2,558 | 43 | 94 | 35 | 560 | 6,025 | 411 | 1,346 | 15,744 | 220 | 15,865 |
| Missouri | 80,452 | 21,249 | 4,133 | 1,000 | 3,760 | 418 | 7,969 | 744 | 2,315 | 38,233 | 631 | 24,990 |
| Montana | 14,131 | 2,812 | 861 | 58 | 718 | 502 | 1,334 | 176 | 331 | 7,145 | 194 | 3,030 |
| Nebraska | 29,483 | 6,165 | 2,168 | 117 | 1,168 | 873 | 2,030 | 365 | 816 | 14,695 | 1,031 | 2,806 |
| Nevada | 2,327 | 735 | 32 | 5 | 91 | 7 | 226 | 22 | 59 | 1,110 | 40 | 2,234 |

| | | | | | | | | | | | | | |
|---------------------|----------|---------|---------|--------|-----|----------|-----|---------|--------|--------|----------|--------|---------|
| New Hampshire..... | 8, 678 | 1, 658 | 336 | 87 | 13 | 1, 713 | 12 | 381 | 94 | 270 | 4, 062 | 65 | 12, 494 |
| New Jersey..... | 73, 020 | 7, 748 | 4, 147 | 208 | 13 | 9, 960 | 13 | 3, 708 | 578 | 2, 529 | 42, 664 | 1, 465 | 53, 382 |
| New Mexico..... | 12, 851 | 961 | 633 | 50 | 438 | 16 164 | 438 | 2, 305 | 121 | 317 | 7, 102 | 754 | 2, 471 |
| New York..... | 290, 218 | 35, 321 | 19, 122 | 865 | 77 | 100, 348 | 77 | 10, 116 | 2, 621 | 8, 452 | 108, 301 | 4, 995 | 50, 251 |
| North Carolina..... | 36, 765 | 4, 476 | 1, 941 | 341 | 350 | 16 439 | 350 | 5, 855 | 742 | 2, 070 | 20, 502 | 50 | 28, 266 |
| North Dakota..... | 13, 178 | 1, 817 | 910 | 57 | 215 | 539 | 215 | 2, 070 | 227 | 463 | 6, 863 | 17 | 993 |
| Ohio..... | 142, 985 | 36, 487 | 5, 290 | 952 | 101 | 15, 366 | 101 | 8, 243 | 1, 314 | 3, 702 | 68, 799 | 2, 731 | 21, 665 |
| Oklahoma..... | 51, 834 | 16, 057 | 3, 399 | 416 | 280 | 665 | 280 | 7, 919 | 719 | 1, 934 | 19, 946 | 5, 095 | 8, 173 |
| Oregon..... | 19, 189 | 5, 023 | 956 | 135 | 121 | 1, 583 | 121 | 1, 273 | 243 | 483 | 9, 265 | 107 | 8, 173 |
| Pennsylvania..... | 222, 053 | 26, 415 | 23, 432 | 4, 802 | 106 | 45, 609 | 106 | 13, 609 | 1, 785 | 5, 637 | 97, 021 | 3, 637 | 58, 218 |
| Rhode Island..... | 14, 054 | 1, 663 | 699 | 16 | 1 | 2, 797 | 1 | 3, 940 | 125 | 459 | 7, 283 | 319 | 22, 537 |
| South Carolina..... | 31, 269 | 1, 674 | 650 | 97 | 373 | 220 | 373 | 3, 940 | 409 | 1, 345 | 19, 468 | 3, 093 | 25, 655 |
| South Dakota..... | 15, 003 | 3, 459 | 13 387 | 54 | 984 | 682 | 984 | 1, 967 | 265 | 428 | 6, 757 | 20 | 1, 353 |
| Tennessee..... | 36, 497 | 4, 866 | 3, 181 | 218 | 74 | 14 239 | 74 | 7, 124 | 571 | 1, 766 | 17, 880 | 578 | 37, 337 |
| Texas..... | 84, 807 | 19, 793 | 8 | --- | 747 | 1, 114 | 747 | 13, 025 | 1, 390 | 4, 504 | 43, 906 | 320 | 58, 611 |
| Utah..... | 15, 938 | 3, 977 | 1, 741 | 57 | 88 | 1, 486 | 88 | 674 | 227 | 382 | 6, 940 | 366 | 2, 261 |
| Vermont..... | 4, 681 | 1, 090 | 240 | 39 | 17 | 431 | 17 | 242 | 77 | 178 | 2, 365 | 2 | 588 |
| Virginia..... | 25, 006 | 2, 313 | 948 | 155 | 100 | 667 | 100 | 5, 632 | 571 | 1, 685 | 12, 490 | 445 | 61, 054 |
| Washington..... | 40, 640 | 14, 181 | 1, 961 | 393 | 193 | 2, 453 | 193 | 2, 168 | 418 | 1, 027 | 17, 451 | 395 | 37, 458 |
| West Virginia..... | 31, 819 | 3, 151 | 2, 451 | 179 | 80 | 1, 254 | 80 | 4, 072 | 363 | 1, 298 | 18, 877 | 94 | 4, 199 |
| Wisconsin..... | 65, 455 | 14, 330 | 5, 590 | 561 | 257 | 8, 970 | 257 | 4, 378 | 737 | 2, 045 | 28, 486 | 101 | 2, 268 |
| Wyoming..... | 4, 133 | 994 | 286 | 48 | 116 | 226 | 116 | 401 | 53 | 159 | 1, 791 | 59 | 2, 506 |

¹ Partly estimated and subject to revision. Excludes cost of administration and of materials, equipment, and other items incident to operation of work programs.
² Excludes earnings on regular Federal construction projects (see footnote 11).
³ Represents payments from Federal, State, and local funds for programs administered under State plans approved by the Social Security Board and, in italics, payments from State and/or local funds for programs administered under State laws without Federal participation. Excludes payments for medical care, hospitalization, and burial.
⁴ Excludes payments for medical care, hospitalization, and burial.
⁵ Data from the FSA; represent cash grant payments certified to cases and value of commodities and commodity stamps purchased by the FSA from the Surplus Marketing Administration and distributed during fiscal year.
⁶ Represents earnings of persons certified as in need and earnings of all other persons employed on projects operated under specified programs. Data for the CCC represent earnings of enrolled persons only.
⁷ Estimated by the CCC by multiplying average monthly number of persons enrolled by average of \$66.25 for each month. Average amount is based on amounts expended for cash allowances, for clothing, shelter, subsistence, and medical care of persons enrolled, and for certain other items.
⁸ Data from the NYA; represent earnings during all pay-roll periods ended during fiscal year.

⁹ Data from the WPA; represent earnings of persons employed on projects financed from WPA funds, including projects operated by other Federal agencies; cover all pay-roll periods ended during fiscal year.
¹⁰ Data from the Bureau of Labor Statistics; represent earnings on projects of Federal agencies, other than the CCC, NYA, and WPA, financed in whole or in part from emergency Federal funds; cover all pay-roll periods ended during year ended June 15, 1941.
¹¹ Excluded from total. Data from the Bureau of Labor Statistics; represent earnings on construction projects financed in whole or in part from regular Federal funds and on projects financed from Reconstruction Finance Corporation funds; cover all pay-roll periods ended during year ended June 15, 1941.
¹² Includes \$1,000 not distributed by State.
¹³ Includes payments under program administered under State law without Federal participation.
¹⁴ Estimated.
¹⁵ Includes payments for medical care in July and August 1940.
¹⁶ State program only; excludes program administered by local officials.
¹⁷ Includes \$603,000 estimated as expended by local relief officials.

Table D-2.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States by State, June 1941 ¹

| State | Recipients of assistance | | | | | Persons employed under Federal work programs ⁵ | | | | | Persons employed on regular Federal construction projects ¹⁰ | |
|---------------------------|---|---------------------------|-----------------------|---|---|---|--|----------------------------|---|--|---|----------|
| | Special types of public assistance ² | | | Cases receiving general relief ³ | Cases for which sub-sistence payments were certified by the Farm Security Administration ⁴ | Civilian Conservation Corps ⁶ | National Youth Administration ⁷ | | Work Projects Administration ⁸ | Other Federal agency projects financed from emergency funds ⁹ | | |
| | Old-age assistance | Aid to dependent children | | | | | | | | | | |
| | | Families | Children | | | | Student work program | Out-of-school work program | | | | |
| Total..... | 2, 166, 545 | 391, 181 | 941, 902 | 74, 039 | 11 934, 000 | 37, 606 | 194, 742 | 356, 303 | 383, 935 | 1, 375, 836 | 9, 347 | 718, 303 |
| Alabama..... | 20, 086 | 5, 801 | 16, 815 | 615 | 2, 387 | 7, 471 | 8, 175 | 3, 529 | 11, 758 | 32, 037 | 86 | 16, 306 |
| Arizona..... | 8, 863 | 2, 471 | 6, 563 | 404 | 2, 799 | 1, 338 | 4, 626 | 1, 842 | 1, 778 | 5, 608 | 34 | 2, 005 |
| Arkansas..... | 26, 046 | 6, 462 | 16, 486 | 1, 142 | 3, 463 | 692 | 9, 392 | 1, 377 | 7, 996 | 29, 757 | ----- | 2, 788 |
| California..... | 156, 329 | 15, 864 | 37, 815 | 7, 290 | ¹² 62, 140 | 5, 008 | 4, 761 | 19, 137 | 12, 370 | 56, 867 | 165 | 63, 231 |
| Colorado..... | 42, 551 | 6, 362 | 15, 572 | 607 | ¹³ 10, 013 | 780 | 2, 057 | 3, 240 | 3, 083 | 16, 939 | 210 | 4, 863 |
| Connecticut..... | 17, 636 | ¹⁴ 1, 290 | ¹⁴ 2, 950 | ¹⁵ 233 | 8, 571 | 1 | 392 | 2, 776 | 3, 008 | 6, 921 | 136 | 11, 339 |
| Delaware..... | 2, 507 | 624 | 1, 735 | ----- | 8, 951 | 10 | 151 | 454 | 881 | 1, 959 | ----- | 2, 864 |
| District of Columbia..... | 3, 494 | 982 | 2, 888 | 234 | 2, 075 | ----- | 431 | 1, 582 | 1, 542 | 7, 909 | 401 | 12, 261 |
| Florida..... | 37, 688 | ¹⁵ 4, 235 | ¹⁵ 10, 974 | ¹⁵ 2, 536 | 8, 343 | 159 | 3, 330 | 3, 451 | 6, 638 | 25, 372 | 257 | 13, 684 |
| Georgia..... | 51, 742 | 4, 749 | 11, 788 | 1, 576 | 5, 880 | 1, 241 | 6, 684 | 11, 987 | 12, 021 | 30, 061 | 140 | 13, 048 |
| Idaho..... | 9, 318 | 3, 048 | 7, 666 | 278 | 1, 410 | 445 | 670 | 1, 650 | 1, 345 | 6, 444 | 30 | 1, 232 |
| Illinois..... | 146, 636 | 7, 409 | 16, 526 | 7, 410 | 113, 900 | 653 | 6, 754 | 25, 762 | 24, 104 | 95, 519 | 1, 463 | 25, 376 |
| Indiana..... | 67, 236 | 17, 032 | 35, 108 | 2, 369 | ¹³ 23, 484 | 178 | 2, 651 | 7, 872 | 10, 886 | 34, 067 | 62 | 41, 392 |
| Iowa..... | 56, 983 | 9, 485 | 7, 751 | 1, 527 | 18, 759 | 146 | 1, 631 | 5, 793 | 6, 726 | 18, 830 | ----- | 2, 586 |
| Kansas..... | 28, 885 | 6, 610 | 15, 634 | 1, 402 | 12, 186 | 497 | 1, 978 | 5, 179 | 5, 770 | 20, 280 | 14 | 5, 301 |
| Kentucky..... | 57, 806 | ¹⁴ 420 | ¹⁴ 1, 950 | ----- | ¹⁴ 5, 000 | 401 | 7, 563 | 2, 702 | 7, 421 | 29, 148 | ----- | 10, 044 |
| Louisiana..... | 36, 099 | 15, 812 | 39, 658 | 1, 260 | 12, 677 | 1, 106 | 5, 795 | 6, 162 | 10, 207 | 28, 736 | ----- | 21, 355 |
| Maine..... | 12, 502 | 1, 545 | 3, 864 | 1, 071 | 6, 898 | 204 | 849 | 2, 355 | 3, 228 | 4, 602 | 13 | 8, 218 |
| Maryland..... | 17, 942 | 6, 531 | 17, 740 | 671 | 7, 240 | 158 | 924 | 3, 382 | 6, 495 | 8, 172 | 80 | 20, 059 |
| Massachusetts..... | 87, 067 | 12, 684 | 31, 234 | 1, 175 | 36, 732 | 8 | 2, 582 | 10, 389 | 11, 182 | 57, 142 | 126 | 29, 355 |
| Michigan..... | 88, 768 | 21, 459 | 50, 768 | 1, 244 | 32, 829 | 413 | 4, 313 | 17, 659 | 11, 278 | 48, 838 | 24 | 6, 523 |
| Minnesota..... | 63, 081 | 9, 398 | 22, 284 | 1, 975 | 23, 303 | 1, 075 | 4, 447 | 9, 084 | 8, 254 | 36, 941 | 2 | 4, 451 |
| Mississippi..... | 26, 621 | 999 | 2, 713 | 1, 071 | 745 | 370 | 6, 919 | 4, 261 | 7, 685 | 28, 483 | 19 | 15, 966 |
| Missouri..... | 113, 787 | 13, 937 | 32, 297 | 3, 207 | 19, 879 | 1, 384 | 7, 493 | 8, 088 | 14, 874 | 51, 871 | 111 | 22, 987 |
| Montana..... | 12, 464 | 2, 643 | 6, 411 | 260 | 3, 004 | 835 | 1, 511 | 2, 601 | 1, 602 | 8, 415 | 52 | 2, 251 |
| Nebraska..... | 29, 024 | ¹⁶ 5, 852 | ¹⁶ 13, 077 | ¹⁵ 718 | 5, 763 | 1, 239 | 1, 883 | 5, 369 | 4, 385 | 20, 176 | 451 | 3, 579 |
| Nevada..... | 2, 317 | ¹⁷ 110 | ¹⁷ 262 | 77 | 426 | 8 | 278 | 215 | 380 | 1, 231 | 1 | 2, 014 |
| New Hampshire..... | 6, 994 | 578 | 1, 407 | 330 | 4, 543 | 63 | 259 | 860 | 832 | 4, 820 | 13 | 7, 246 |

| | | | | | | | | | | | | |
|---------------------|----------|-----------|-----------|---------|-------------|--------|---------|---------|---------|----------|--------|---------|
| New Jersey----- | 31, 174 | 10, 486 | 23, 833 | 739 | 13 26, 539 | 85 | 2, 337 | 9, 834 | 11, 201 | 42, 471 | 46 | 38, 016 |
| New Mexico----- | 4, 750 | 2, 011 | 5, 710 | 218 | 17 1, 759 | 221 | 3, 241 | 2, 022 | 1, 583 | 10, 066 | 392 | 4, 705 |
| New York----- | 121, 496 | 33, 203 | 65, 242 | 2, 845 | 18 199, 949 | 218 | 7, 965 | 42, 701 | 30, 754 | 101, 919 | 882 | 30, 901 |
| North Carolina----- | 37, 549 | 9, 858 | 23, 585 | 1, 911 | 4, 435 | 455 | 6, 261 | 5, 596 | 10, 709 | 30, 302 | 56 | 11, 308 |
| North Dakota----- | 9, 234 | 2, 502 | 6, 946 | 219 | 2, 556 | 368 | 2, 307 | 4, 334 | 2, 501 | 9, 918 | 2 | 1, 202 |
| Ohio----- | 137, 871 | 11, 820 | 31, 730 | 3, 998 | 47, 980 | 482 | 5, 987 | 19, 399 | 23, 440 | 80, 670 | 583 | 25, 816 |
| Oklahoma----- | 76, 469 | 19, 562 | 44, 879 | 2, 153 | 19 11, 514 | 1, 594 | 9, 016 | 8, 018 | 7, 831 | 32, 109 | 33 | 4, 227 |
| Oregon----- | 21, 059 | 2, 067 | 4, 887 | 465 | 6, 581 | 564 | 958 | 2, 984 | 3, 143 | 9, 096 | 53 | 7, 859 |
| Pennsylvania----- | 103, 567 | 63, 360 | 158, 348 | 13, 656 | 123, 071 | 456 | 11, 775 | 24, 239 | 21, 295 | 93, 018 | 185 | 40, 026 |
| Rhode Island----- | 6, 976 | 1, 305 | 3, 730 | 84 | 20 3, 220 | 4 | 258 | 1, 765 | 1, 781 | 6, 038 | 45 | 20, 147 |
| South Carolina----- | 17, 683 | 3, 760 | 10, 992 | 801 | 2, 261 | 692 | 3, 579 | 5, 652 | 6, 442 | 25, 801 | 2, 626 | 15, 963 |
| South Dakota----- | 14, 968 | 15 1, 522 | 15 3, 548 | 281 | 3, 126 | 1, 097 | 2, 609 | 5, 129 | 2, 657 | 9, 764 | 1 | 1, 727 |
| Tennessee----- | 40, 154 | 14, 343 | 35, 921 | 1, 645 | 14 2, 600 | 122 | 7, 762 | 1, 580 | 11, 760 | 29, 449 | 50 | 23, 886 |
| Texas----- | 138, 677 | 86 | 14 230 | ----- | 9, 503 | 3, 444 | 14, 886 | 18, 883 | 22, 378 | 73, 850 | 150 | 30, 668 |
| Utah----- | 14, 284 | 4, 024 | 10, 483 | 183 | 4, 855 | 229 | 556 | 2, 238 | 1, 403 | 8, 425 | 230 | 2, 511 |
| Vermont----- | 5, 775 | 613 | 1, 693 | 158 | 1, 599 | 34 | 161 | 1, 038 | 780 | 2, 662 | ----- | 465 |
| Virginia----- | 20, 080 | 4, 342 | 12, 813 | 1, 025 | 5, 352 | 135 | 5, 377 | 8, 399 | 8, 607 | 17, 378 | 6 | 49, 822 |
| Washington----- | 57, 488 | 5, 309 | 12, 653 | 1, 041 | 9, 605 | 402 | 1, 684 | 6, 029 | 5, 476 | 16, 366 | 38 | 25, 121 |
| West Virginia----- | 19, 278 | 9, 360 | 24, 992 | 862 | 12, 572 | 89 | 5, 165 | 6, 047 | 5, 870 | 26, 850 | 31 | 5, 995 |
| Wisconsin----- | 54, 018 | 12, 484 | 28, 383 | 1, 983 | 24, 106 | 769 | 3, 987 | 10, 847 | 5, 694 | 30, 297 | 21 | 3, 744 |
| Wyoming----- | 3, 523 | 772 | 1, 968 | 150 | 870 | 263 | 372 | 811 | 901 | 2, 242 | 27 | 1, 870 |

¹ Partly estimated and subject to revision.
² Represents recipients assisted from Federal, State, and local funds for programs administered under State plans approved by the Social Security Board and, in italics, recipients assisted from State and/or local funds for programs administered under State laws without Federal participation. Excludes recipients of medical care, hospitalization, and/or burial only.
³ Represents cases aided during month. Excludes cases receiving medical care, hospitalization, and/or burial only.
⁴ Data from the FSA; represent number of cash grant payments certified to cases and, in addition, number of cases receiving only commodities and/or commodity stamps purchased by the FSA from the Surplus Marketing Administration and distributed during month. Ordinarily only 1 cash grant payment per case is certified per month.
⁵ Represents persons certified as in need and all other persons employed on projects operated under specified programs, exclusive of administrative employees. Data for the CCC represent enrolled persons only.
⁶ Represents averages computed by the CCC from reports on number of persons enrolled on 10th, 20th, and last day of month, except for the Indian Division, for which averages are computed from daily reports.
⁷ Data from the NYA; represent number of persons employed during month.
⁸ Data from the WPA; represent average weekly number employed during month on projects financed from WPA funds, including projects operated by other Federal agencies.
⁹ Data from the Bureau of Labor Statistics; represent average weekly number of persons employed during month ended June 15 on projects of Federal agencies, other than the CCC, NYA, and WPA, financed in whole or in part from emergency Federal funds.
¹⁰ Data from the Bureau of Labor Statistics; represent average weekly number of persons employed during month ended June 15 on projects financed in whole or in part from regular Federal funds and on projects financed from Reconstruction Finance Corporation funds.
¹¹ Partly estimated; does not represent total of State figures, because data are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only.
¹² Includes estimate of 28,800 cases receiving aid from State relief administration.
¹³ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only.
¹⁴ Estimated.
¹⁵ Includes recipients under program administered under State law without Federal participation.
¹⁶ In addition, 746 families in behalf of 1,705 children received payments under State law without Federal participation; some of these families also received aid under State plan approved by the Social Security Board.
¹⁷ State program only; excludes program administered by local officials.
¹⁸ Includes cases receiving medical care only; number believed by State agency to be insignificant.
¹⁹ Represents 4,803 cases aided under program administered by State board of public welfare, and 6,711 cases aided by county commissioners; amount of duplication believed to be large.
²⁰ State unemployment relief program only; includes unknown number of cases receiving medical care and/or hospitalization only. It is estimated that, in addition, 2,400 cases were aided by local officials.

Table D-3.—*Special types of public assistance: Recipients in June 1941 and applications for assistance pending as of June 30, 1941, in States with plans approved by the Social Security Board, by State*

| State | Old-age assistance | | | Aid to dependent children | | | | Aid to the blind | | |
|---------------------------|---------------------------------|------------------------------------|---------------------------|---------------------------------|----------------------|---|---------------------------|---------------------------------|------------------------------------|---------------------------|
| | Number of recipients, June 1941 | Applications pending June 30, 1941 | | Number of recipients, June 1941 | | Applications pending June 30, 1941 (families) | | Number of recipients, June 1941 | Applications pending June 30, 1941 | |
| | | Number | Number per 100 recipients | Families | Children | Number | Number per 100 recipients | | Number | Number per 100 recipients |
| Total..... | 2, 169, 942 | 188, 310 | 8. 7 | 379, 594 | 916, 742 | 56, 145 | 14. 8 | 49, 817 | 4, 901 | 9. 8 |
| Alabama..... | 20, 086 | 4, 122 | 20. 5 | 5, 801 | 16, 815 | 1, 331 | 22. 9 | 615 | 73 | 11. 9 |
| Alaska..... | 1, 572 | 25 | 1. 6 | | | | | | | |
| Arizona..... | 8, 863 | 322 | 3. 6 | 2, 471 | 6, 563 | 142 | 5. 7 | 404 | 18 | 4. 5 |
| Arkansas..... | 26, 046 | 3, 652 | 14. 0 | 6, 462 | 16, 486 | 811 | 12. 6 | 1, 142 | 181 | 15. 8 |
| California..... | 156, 329 | 8, 803 | 5. 6 | 15, 864 | 37, 815 | 1, 575 | 9. 9 | 7, 290 | 399 | 5. 5 |
| Colorado..... | ¹ 42, 551 | 725 | 1. 7 | 6, 362 | 15, 572 | 169 | 2. 7 | 607 | 42 | 6. 9 |
| Connecticut..... | 17, 636 | 669 | 3. 8 | | | | | ² 233 | 27 | 11. 6 |
| Delaware..... | 2, 507 | 69 | 2. 8 | 624 | 1, 735 | 66 | 10. 6 | | | |
| District of Columbia..... | 3, 494 | 201 | 5. 8 | 982 | 2, 888 | 429 | 43. 7 | 234 | 13 | 5. 6 |
| Florida..... | 37, 688 | 8, 036 | 21. 3 | ² 4, 235 | ² 10, 974 | 9, 359 | 221. 0 | ² 2, 536 | 340 | 13. 4 |
| Georgia..... | 51, 742 | 31, 820 | 61. 5 | 4, 749 | 11, 788 | 10, 914 | 229. 8 | 1, 576 | 986 | 62. 6 |
| Hawaii..... | 1, 825 | 101 | 5. 5 | 1, 213 | 3, 909 | 93 | 7. 7 | 68 | 5 | 7. 4 |
| Idaho..... | 9, 318 | 268 | 2. 9 | 3, 048 | 7, 666 | 112 | 3. 7 | 278 | 3 | 1. 1 |
| Illinois..... | 146, 636 | 6, 880 | 4. 7 | | | | | | | |
| Indiana..... | 67, 236 | 7, 175 | 10. 7 | 17, 032 | 35, 108 | 1, 107 | 6. 5 | 2, 369 | 229 | 9. 7 |
| Iowa..... | 56, 983 | 1, 701 | 3. 0 | | | | | 1, 527 | 76 | 5. 0 |
| Kansas..... | 28, 885 | 1, 205 | 4. 2 | 6, 610 | 15, 634 | 169 | 2. 6 | 1, 402 | 94 | 6. 7 |
| Kentucky..... | 57, 806 | 8, 216 | 14. 2 | | | | | | | |
| Louisiana..... | 36, 099 | 6, 733 | 18. 7 | 15, 812 | 39, 658 | 4, 108 | 26. 0 | 1, 260 | 165 | 13. 1 |
| Maine..... | 12, 502 | 6, 779 | 54. 2 | 1, 545 | 3, 864 | 615 | 39. 8 | 1, 071 | 153 | 14. 3 |
| Maryland..... | 17, 942 | 419 | 2. 3 | 6, 531 | 17, 740 | 152 | 2. 3 | 671 | 15 | 2. 2 |
| Massachusetts..... | 87, 067 | 961 | 1. 1 | 12, 684 | 31, 234 | 474 | 3. 7 | 1, 175 | 9 | . 8 |
| Michigan..... | 88, 768 | 7, 771 | 8. 8 | 21, 459 | 50, 768 | 1, 107 | 5. 2 | 1, 244 | 116 | 9. 3 |
| Minnesota..... | 63, 081 | 1, 091 | 1. 7 | 9, 398 | 22, 284 | 304 | 3. 2 | 975 | 27 | 2. 8 |
| Mississippi..... | 26, 621 | 10, 060 | 37. 8 | 999 | 2, 713 | 2, 146 | 214. 8 | 1, 071 | 179 | 16. 7 |
| Missouri..... | 113, 787 | 8, 090 | 7. 1 | 13, 937 | 32, 297 | 3, 116 | 22. 4 | | | |
| Montana..... | 12, 464 | 222 | 1. 8 | 2, 643 | 6, 411 | 89 | 3. 4 | 260 | 47 | 18. 1 |
| Nebraska..... | 29, 024 | 1, 152 | 4. 0 | ³ 5, 852 | ³ 13, 077 | 384 | 6. 6 | ² 718 | 38 | 5. 3 |
| Nevada..... | 2, 317 | 94 | 4. 1 | | | | | | | |
| New Hampshire..... | 6, 994 | 360 | 5. 1 | 578 | 1, 407 | 485 | 83. 9 | 330 | 13 | 3. 9 |
| New Jersey..... | 31, 174 | 881 | 2. 8 | 10, 486 | 23, 833 | 623 | 5. 9 | 739 | 53 | 7. 2 |
| New Mexico..... | 4, 750 | 585 | 12. 3 | 2, 011 | 5, 710 | 373 | 18. 5 | 218 | 25 | 11. 5 |
| New York..... | 121, 496 | 5, 813 | 4. 8 | 33, 203 | 65, 242 | 1, 317 | 4. 0 | 2, 845 | 214 | 7. 5 |
| North Carolina..... | 37, 549 | 5, 883 | 15. 7 | 9, 858 | 23, 585 | 1, 079 | 10. 9 | 1, 911 | 364 | 19. 0 |
| North Dakota..... | 9, 234 | 279 | 8. 0 | 2, 502 | 6, 946 | 67 | 2. 7 | 219 | 4 | 1. 8 |
| Ohio..... | 137, 871 | 7, 526 | 5. 5 | 11, 820 | 31, 730 | 2, 633 | 22. 3 | 3, 998 | 158 | 4. 0 |
| Oklahoma..... | 76, 469 | 3, 012 | 3. 9 | 19, 562 | 44, 879 | 1, 637 | 8. 4 | 2, 153 | 175 | 8. 1 |
| Oregon..... | 21, 059 | 2, 799 | 13. 3 | 2, 067 | 4, 887 | 375 | 18. 1 | 465 | 29 | 6. 2 |
| Pennsylvania..... | 103, 567 | 1, 675 | 1. 6 | 63, 360 | 158, 348 | 1, 128 | 1. 8 | | | |
| Rhode Island..... | 6, 976 | 334 | 4. 8 | 1, 305 | 3, 730 | 98 | 7. 5 | 84 | 13 | 15. 5 |
| South Carolina..... | 17, 683 | 2, 906 | 16. 4 | 3, 760 | 10, 992 | 751 | 20. 0 | 801 | 109 | 13. 6 |
| South Dakota..... | 14, 968 | 195 | 1. 3 | ² 1, 522 | ² 3, 548 | 153 | 10. 1 | 281 | 16 | 5. 7 |
| Tennessee..... | 40, 154 | 10, 340 | 25. 8 | 14, 343 | 35, 921 | 4, 392 | 30. 6 | 1, 645 | 263 | 16. 0 |
| Texas..... | 138, 677 | 10, 728 | 7. 7 | | | | | | | |
| Utah..... | 14, 284 | 220 | 1. 5 | 4, 024 | 10, 483 | 229 | 5. 7 | 183 | 4 | 2. 2 |
| Vermont..... | 5, 775 | 683 | 11. 8 | 613 | 1, 693 | 185 | 30. 2 | 158 | 13 | 8. 2 |
| Virginia..... | 20, 080 | 1, 689 | 8. 4 | 4, 342 | 12, 813 | 351 | 8. 1 | 1, 025 | 61 | 6. 0 |
| Washington..... | 57, 488 | 2, 210 | 3. 9 | 5, 309 | 12, 653 | 191 | 3. 6 | 1, 041 | 24 | 2. 3 |
| West Virginia..... | 19, 278 | 1, 400 | 7. 3 | 9, 360 | 24, 992 | 673 | 7. 2 | 862 | 68 | 7. 9 |
| Wisconsin..... | 54, 018 | 1, 341 | 2. 5 | 12, 484 | 28, 383 | 601 | 4. 8 | 1, 983 | 58 | 2. 9 |
| Wyoming..... | 3, 523 | 89 | 2. 5 | 772 | 1, 968 | 32 | 4. 1 | 150 | 2 | 1. 3 |

¹ Includes 3,631 persons 60 but under 65 years.

² Includes aid administered under State law without Federal participation.

³ In addition, in 70 counties payments were made from local funds without State or Federal participation to 746 families in behalf of 1,705 children under State mothers'-pension law; some of these families also received aid under State plan approved by the Social Security Board.

Table D-4.—*Old-age assistance: Average payment per recipient and percentage distribution of recipients by amount of money payment, under State plans approved by the Social Security Board, by State, May 1941*

| State | Average pay- ment per recip- ient | Percent of recipients receiving— | | | | | | |
|-----------------------------|--|----------------------------------|-------------------|-------------------|-------------------|---------------|-------------------|-------------------|
| | | Less than \$10.00 | \$10.00- 19.99 | \$20.00- 29.99 | \$30.00- 39.99 | \$40.00-49.99 | | |
| | | | | | | Total | \$40.00- 40.99 | \$41.00- 49.99 |
| 51 States, total..... | \$20.52 | 14.1 | 35.5 | 30.0 | 13.0 | 7.3 | 7.1 | 0.2 |
| Alabama..... | 9.13 | 68.9 | 24.9 | 1.6 | 4.4 | .1 | .1 | (1) |
| Alaska..... | 28.50 | 14.2 | 29.5 | 34.9 | 21.3 | 13.8 | 7.5 | .1 |
| Arizona..... | 27.82 | 1.4 | 3.1 | 29.9 | 65.6 | | | |
| Arkansas..... | 7.71 | 76.8 | 22.7 | .5 | | | | |
| California..... | 37.79 | .2 | 1.9 | 5.5 | 13.4 | 79.0 | 79.0 | |
| Colorado ² | 29.79 | 1.3 | 5.4 | 33.9 | 59.4 | | | |
| Connecticut..... | 28.45 | 1.2 | 10.4 | 35.7 | 52.7 | | | |
| Delaware..... | 11.51 | 34.5 | 56.7 | 8.8 | | | | |
| District of Columbia..... | 25.70 | .4 | 15.3 | 44.8 | 39.5 | | | |
| Florida..... | 13.03 | 24.0 | 64.9 | 9.8 | 1.3 | | | |
| Georgia..... | 8.30 | 74.0 | 23.7 | 1.9 | .4 | | | |
| Hawaii..... | 12.79 | 22.2 | 69.4 | 6.0 | 2.4 | | | |
| Idaho..... | 22.69 | 2.8 | 26.1 | 47.3 | 20.9 | 2.9 | 2.9 | |
| Illinois..... | 22.97 | 1.5 | 32.8 | 46.3 | 16.9 | 2.5 | 2.5 | |
| Indiana..... | 18.47 | 3.8 | 54.7 | 36.5 | 5.0 | | | |
| Iowa..... | 20.86 | 2.9 | 27.0 | 69.5 | .6 | | | |
| Kansas..... | 19.30 | 5.6 | 51.9 | 32.2 | 8.6 | 1.6 | 1.3 | .3 |
| Kentucky..... | 8.94 | 64.6 | 35.4 | (1) | | | | |
| Louisiana..... | 13.34 | 28.5 | 56.7 | 12.0 | 2.4 | .3 | .1 | .2 |
| Maine..... | 20.83 | 1.7 | 43.2 | 39.7 | 15.4 | | | |
| Maryland..... | 17.86 | 9.4 | 48.6 | 34.0 | 8.0 | | | |
| Massachusetts..... | 28.91 | .6 | 6.7 | 32.1 | 54.9 | 3.4 | 1.3 | 2.1 |
| Michigan..... | 17.06 | 6.5 | 63.3 | 27.7 | 2.5 | | | |
| Minnesota..... | 21.33 | 2.1 | 34.4 | 52.6 | 10.9 | | | |
| Mississippi..... | 8.73 | 64.0 | 35.2 | .7 | (1) | .1 | .1 | |
| Missouri..... | 17.89 | 5.3 | 58.7 | 29.8 | 6.2 | | | |
| Montana..... | 20.20 | 1.5 | 44.4 | 46.3 | 6.6 | 1.2 | 1.2 | |
| Nebraska..... | 17.03 | 6.1 | 67.6 | 26.3 | | | | |
| Nevada..... | 26.59 | .6 | 16.8 | 12.7 | 69.9 | | | |
| New Hampshire..... | 21.62 | 3.2 | 37.8 | 42.5 | 11.9 | 4.6 | 4.6 | |
| New Jersey..... | 21.26 | 1.5 | 36.1 | 54.7 | 6.3 | 1.4 | 1.4 | |
| New Mexico..... | 17.34 | 18.9 | 49.7 | 22.7 | 6.7 | 1.9 | 1.6 | .3 |
| New York ³ | 24.55 | 1.8 | 31.4 | 42.6 | 20.7 | 3.4 | 1.3 | 2.1 |
| North Carolina..... | 10.17 | 50.9 | 43.5 | 4.8 | .8 | | | |
| North Dakota..... | 17.28 | 7.3 | 59.2 | 27.0 | 5.1 | 1.4 | 1.4 | |
| Ohio..... | 23.27 | 1.0 | 26.1 | 59.9 | 12.8 | .2 | .2 | |
| Oklahoma..... | 17.97 | 3.9 | 61.0 | 34.9 | .2 | | | |
| Oregon..... | 21.42 | 1.0 | 36.4 | 44.9 | 17.7 | | | |
| Pennsylvania..... | 22.27 | 4.0 | 29.7 | 48.8 | 17.5 | | | |
| Rhode Island..... | 20.27 | 2.4 | 40.2 | 48.3 | 9.1 | (1) | (1) | |
| South Carolina..... | 7.71 | 77.9 | 20.6 | 1.5 | | | | |
| South Dakota..... | 19.17 | 3.1 | 49.9 | 45.1 | 1.9 | | | |
| Tennessee..... | 10.14 | 50.3 | 46.7 | 3.0 | | | | |
| Texas..... | 11.47 | 37.8 | 55.3 | 6.9 | | | | |
| Utah..... | 26.61 | 1.0 | 10.0 | 37.0 | 50.3 | 1.6 | .4 | 1.2 |
| Vermont..... | 16.82 | 6.9 | 55.4 | 30.8 | 6.9 | | | |
| Virginia..... | 10.00 | 50.1 | 44.1 | 5.8 | | | | |
| Washington..... | 32.41 | .7 | 6.7 | 21.4 | 37.4 | 33.8 | 33.8 | |
| West Virginia..... | 14.66 | 13.4 | 68.7 | 13.4 | 4.5 | | | |
| Wisconsin..... | 22.76 | 1.8 | 31.6 | 40.7 | 22.9 | 3.0 | 3.0 | |
| Wyoming..... | 24.02 | .7 | 20.2 | 57.6 | 19.7 | 1.8 | 1.8 | |

¹ Less than 0.05 percent.

² Includes persons 60 but under 65 years.

³ Percentage distribution excludes special payments for items not regularly budgeted; average includes these payments.

Table D-5.—Aid to dependent children: Average payment per family and percentage distribution of families by amount of money payment, under State plans approved by the Social Security Board, by State, May 1941

| State | Average payment per family | Percent of families receiving— | | | | | | | | |
|---------------------------------|----------------------------|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|
| | | Less than \$10.00 | \$10.00-19.99 | \$20.00-29.99 | \$30.00-39.99 | \$40.00-49.99 | \$50.00-59.99 | \$60.00-69.99 | \$70.00-79.99 | \$80.00 or more |
| 44 States, total..... | \$32.44 | 4.6 | 24.4 | 19.6 | 20.5 | 13.7 | 8.2 | 4.9 | 2.2 | 1.9 |
| Alabama..... | 13.76 | 20.4 | 66.7 | 10.7 | 1.8 | .3 | .1 | (1) | | |
| Arizona..... | 32.64 | .1 | 28.4 | 5.3 | 30.6 | 20.8 | 11.4 | 3.2 | .1 | .1 |
| Arkansas..... | 13.58 | 18.4 | 70.4 | 11.2 | | | | | | |
| California..... | 47.34 | .7 | 8.0 | 17.9 | 11.5 | 20.8 | 12.1 | 13.0 | 6.1 | ² 9.9 |
| Colorado..... | 30.33 | .6 | 34.5 | 8.7 | 28.8 | 16.3 | 7.2 | 2.6 | 1.0 | .3 |
| Delaware..... | 34.33 | 1.3 | 24.1 | 8.3 | 28.0 | 18.0 | 11.5 | 5.7 | 2.1 | 1.0 |
| District of Columbia..... | 37.90 | 1.2 | 5.7 | 12.7 | 33.6 | 33.8 | 6.3 | 6.7 | | |
| Florida ³ | 25.80 | 3.8 | 37.5 | 20.0 | 23.2 | 10.8 | 3.8 | .8 | .1 | (1) |
| Georgia..... | 21.95 | 10.6 | 44.6 | 18.0 | 15.8 | 7.9 | 2.3 | .7 | .1 | |
| Hawaii..... | 36.73 | 1.8 | 14.9 | 19.7 | 21.9 | 18.9 | 12.7 | 6.7 | 2.2 | 1.2 |
| Idaho..... | 29.95 | 1.3 | 34.4 | 6.7 | 28.5 | 19.6 | 7.0 | 2.1 | .3 | .1 |
| Indiana..... | 28.92 | 3.8 | 22.3 | 32.2 | 21.7 | 6.1 | 8.1 | 3.7 | 1.3 | .8 |
| Kansas..... | 28.87 | 1.6 | 20.7 | 31.6 | 30.1 | 12.2 | 2.8 | .7 | .2 | .1 |
| Louisiana..... | 26.99 | 2.5 | 28.1 | 32.7 | 20.6 | 9.8 | 3.9 | 1.6 | .6 | .2 |
| Maine..... | 39.61 | .3 | 10.6 | 14.8 | 24.5 | 19.8 | 16.1 | 8.3 | 3.7 | 1.9 |
| Maryland..... | 30.43 | 2.7 | 33.9 | 11.0 | 24.4 | 14.6 | 8.3 | 3.4 | 1.3 | .4 |
| Massachusetts..... | 56.38 | .6 | 4.7 | 7.4 | 10.2 | 14.7 | 16.8 | 17.9 | 12.0 | ⁴ 15.7 |
| Michigan..... | 40.50 | 1.8 | 8.1 | 23.3 | 19.3 | 16.5 | 13.3 | 8.7 | 5.7 | 3.3 |
| Minnesota..... | 34.37 | 1.4 | 8.1 | 34.0 | 26.7 | 6.7 | 12.7 | 6.3 | 1.6 | 2.5 |
| Mississippi..... | 20.48 | .2 | 53.9 | 25.7 | 15.7 | 3.9 | .6 | | | |
| Missouri..... | 29.75 | .8 | 37.3 | 8.5 | 26.8 | 15.3 | 7.0 | 4.3 | | |
| Montana..... | 29.31 | .9 | 35.9 | 12.1 | 25.7 | 15.2 | 6.6 | 2.2 | .9 | .5 |
| Nebraska ³ | 27.49 | 2.1 | 40.2 | 26.4 | 15.5 | 8.4 | 4.3 | 1.9 | .8 | .4 |
| New Hampshire..... | 45.91 | .2 | 9.6 | 10.8 | 19.4 | 19.5 | 17.7 | 13.2 | 4.6 | 5.0 |
| New Jersey..... | 31.54 | .6 | 31.2 | 16.4 | 22.9 | 13.5 | 7.8 | 4.1 | 2.1 | 1.4 |
| New Mexico..... | 26.32 | 3.8 | 29.0 | 30.5 | 25.4 | 8.4 | 2.3 | .6 | (1) | |
| New York ⁵ | 46.01 | 1.6 | 7.5 | 10.9 | 18.3 | 22.1 | 17.5 | 12.9 | 5.5 | 3.7 |
| North Carolina..... | 16.87 | 12.2 | 55.6 | 21.9 | 7.5 | 2.4 | .4 | (1) | | |
| North Dakota..... | 31.20 | 1.3 | 30.1 | 11.1 | 26.9 | 18.6 | 7.6 | 3.2 | 1.0 | .2 |
| Ohio..... | 39.50 | 1.0 | 18.4 | 13.7 | 18.7 | 16.7 | 12.7 | 9.1 | 5.3 | 4.4 |
| Oklahoma..... | 14.90 | 26.7 | 48.7 | 20.1 | 4.2 | .3 | (1) | (1) | | |
| Oregon..... | 40.89 | .1 | 9.2 | 12.7 | 24.2 | 24.8 | 16.8 | 7.6 | 2.7 | 1.9 |
| Pennsylvania..... | 33.13 | 4.9 | 11.0 | 20.6 | 33.7 | 20.3 | 7.6 | 1.7 | .2 | (1) |
| Rhode Island..... | 45.56 | .2 | 9.0 | 7.1 | 17.0 | 24.6 | 20.8 | 13.3 | 5.0 | 3.0 |
| South Carolina..... | 18.54 | 11.6 | 47.4 | 28.4 | 10.0 | 2.4 | .2 | | | |
| South Dakota ³ | 27.18 | 4.2 | 38.1 | 12.9 | 25.3 | 13.6 | 4.5 | 1.3 | .1 | |
| Tennessee..... | 18.58 | 3.8 | 49.9 | 37.0 | 7.6 | 1.4 | .2 | .1 | | |
| Utah..... | 41.81 | 1.4 | 10.4 | 12.2 | 21.8 | 21.4 | 16.8 | 8.5 | 6.7 | .8 |
| Vermont..... | 32.56 | 2.3 | 27.9 | 11.2 | 24.5 | 17.0 | 10.0 | 4.7 | 1.6 | .8 |
| Virginia..... | 20.14 | 7.4 | 47.0 | 25.4 | 14.2 | 4.7 | 1.1 | .2 | (1) | (1) |
| Washington..... | 35.99 | .7 | 17.1 | 12.3 | 29.8 | 21.4 | 12.1 | 4.1 | 1.7 | .8 |
| West Virginia..... | 24.34 | 1.2 | 37.7 | 31.9 | 20.5 | 6.4 | 1.7 | .5 | .1 | (1) |
| Wisconsin..... | 36.81 | 1.6 | 21.7 | 15.2 | 19.6 | 17.0 | 11.0 | 7.2 | 3.9 | 2.8 |
| Wyoming..... | 32.80 | 1.2 | 28.8 | 7.4 | 28.8 | 18.5 | 8.7 | 4.9 | 1.2 | .5 |

¹ Less than 0.05 percent.

² Families receiving \$80 or more: \$80-89, 4.6 percent; \$90-99, 2.9 percent; \$100 or more, 2.4 percent.

³ Excludes concurrent program administered without Federal participation.

⁴ Families receiving \$80 or more: \$80-89, 7.6 percent; \$90-99, 4.0 percent; \$100 or more, 4.1 percent.

⁵ Percentage distribution excludes special payments for items not regularly budgeted; average includes these payments.

Table D-6.—*Aid to the blind: Average payment per recipient and percentage distribution of recipients by amount of money payment, under State plans approved by the Social Security Board, by State, May 1941*

| State | Average pay- ment per re- cipient | Percent of recipients receiving— | | | | | | | |
|--------------------------|---|----------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|-----------------------|
| | | Less than \$10.00 | \$10.00– 19.99 | \$20.00– 29.99 | \$30.00– 39.99 | \$40.00–49.99 | | | \$50.00 or more |
| | | | | | | Total | \$40.00– 40.99 | \$41.00– 49.99 | |
| 43 States, total | \$23. 64 | 12. 0 | 32. 2 | 26. 2 | 13. 5 | 3. 6 | 2. 3 | 1. 3 | 12. 5 |
| Alabama | 9. 03 | 69. 3 | 27. 3 | 2. 8 | . 6 | | | | |
| Arizona | 27. 46 | . 3 | 5. 7 | 29. 0 | 65. 0 | | | | |
| Arkansas | 9. 15 | 63. 0 | 34. 4 | 2. 6 | | | | | |
| California | 48. 13 | | . 3 | 1. 7 | 4. 7 | 9. 0 | 3. 2 | 5. 8 | ¹ 84. 3 |
| Colorado | 30. 77 | . 3 | 5. 5 | 15. 1 | 60. 1 | 19. 0 | 19. 0 | | |
| Connecticut ² | 27. 67 | . 5 | 14. 4 | 36. 4 | 48. 7 | | | | |
| District of Columbia | 30. 47 | | 4. 8 | 30. 7 | 58. 0 | 6. 5 | 6. 5 | | |
| Florida ² | 13. 83 | 15. 8 | 71. 4 | 11. 4 | 1. 4 | | | | |
| Georgia | 10. 79 | 53. 7 | 38. 7 | 5. 6 | 2. 0 | | | | |
| Hawaii | 15. 35 | (³) | (³) | (³) | (³) | | | | |
| Idaho | 22. 43 | 5. 8 | 29. 9 | 32. 0 | 29. 1 | 3. 2 | 3. 2 | | |
| Indiana | 20. 77 | 1. 4 | 41. 0 | 48. 8 | 8. 8 | | | | |
| Iowa | 24. 07 | 1. 5 | 22. 2 | 58. 6 | 16. 5 | 1. 2 | 1. 2 | | |
| Kansas | 20. 70 | 6. 9 | 43. 9 | 31. 5 | 13. 5 | 4. 0 | 2. 6 | 1. 4 | . 2 |
| Louisiana | 17. 08 | 15. 1 | 53. 2 | 22. 4 | 7. 0 | 1. 8 | . 8 | 1. 0 | . 5 |
| Maine | 22. 78 | 1. 4 | 28. 1 | 44. 3 | 26. 2 | | | | |
| Maryland | 21. 45 | 4. 6 | 34. 1 | 37. 3 | 24. 0 | | | | |
| Massachusetts | 23. 70 | 1. 1 | 20. 2 | 44. 8 | 33. 9 | | | | |
| Michigan | 23. 91 | 2. 8 | 32. 1 | 37. 2 | 21. 5 | 6. 4 | 6. 4 | | |
| Minnesota | 26. 69 | . 5 | 12. 7 | 52. 0 | 28. 2 | 5. 7 | 4. 0 | 1. 7 | . 9 |
| Mississippi | 8. 56 | 69. 2 | 30. 2 | . 6 | | | | | |
| Montana | 21. 87 | . 8 | 34. 0 | 38. 8 | 25. 2 | 1. 2 | 1. 2 | | |
| Nebraska ² | 20. 75 | 1. 5 | 45. 4 | 43. 1 | 10. 0 | | | | |
| New Hampshire | 22. 80 | 1. 5 | 29. 6 | 38. 7 | 27. 4 | 2. 8 | 2. 8 | | |
| New Jersey | 23. 73 | . 4 | 19. 7 | 63. 8 | 13. 4 | 2. 7 | 2. 7 | | |
| New Mexico | 18. 75 | 20. 7 | 39. 9 | 25. 2 | 11. 9 | 1. 8 | 1. 8 | | . 5 |
| New York ⁴ | 25. 53 | 3. 1 | 27. 3 | 40. 7 | 22. 2 | 5. 8 | 1. 1 | 4. 7 | . 9 |
| North Carolina | 14. 99 | 7. 9 | 72. 2 | 16. 1 | 3. 8 | | | | |
| North Dakota | 21. 00 | 4. 3 | 43. 5 | 30. 9 | 15. 2 | 6. 1 | 6. 1 | | |
| Ohio | 20. 20 | 3. 4 | 35. 7 | 46. 0 | 13. 9 | 1. 0 | 1. 0 | | |
| Oklahoma | 16. 07 | 24. 4 | 42. 8 | 32. 3 | . 5 | | | | |
| Oregon | 24. 97 | . 4 | 16. 8 | 34. 0 | 48. 8 | | | | |
| Rhode Island | 19. 70 | (³) | (³) | (³) | (³) | (³) | (³) | | |
| South Carolina | 10. 18 | 53. 3 | 40. 2 | 6. 5 | | | | | |
| South Dakota | 16. 91 | 2. 5 | 72. 8 | 23. 3 | 1. 4 | | | | |
| Tennessee | 11. 21 | 37. 5 | 57. 0 | 5. 5 | | | | | |
| Utah | 26. 10 | 2. 7 | 20. 3 | 34. 1 | 35. 7 | 6. 1 | 3. 9 | 2. 2 | 1. 1 |
| Vermont | 21. 41 | 7. 0 | 25. 9 | 39. 9 | 27. 2 | | | | |
| Virginia | 12. 56 | 28. 1 | 57. 7 | 12. 2 | 2. 0 | | | | |
| Washington | 34. 01 | . 1 | 4. 6 | 16. 6 | 33. 5 | 45. 2 | 45. 2 | | |
| West Virginia | 18. 37 | 6. 1 | 52. 2 | 28. 9 | 12. 8 | | | | |
| Wisconsin | 23. 64 | 1. 0 | 23. 2 | 39. 1 | 36. 3 | . 4 | . 4 | | |
| Wyoming | 27. 20 | 1. 3 | 17. 3 | 39. 4 | 31. 3 | 6. 7 | . 7 | 6. 0 | ¹ 4. 0 |

¹ Payments exactly \$50.
² Excludes concurrent program administered without Federal participation.
³ Not computed; base less than 100.
⁴ Percentage distribution excludes special payments for items not regularly budgeted; average includes these payments.

Table D-7.—*Old-age assistance: Expenditures for assistance to recipients, under State plans approved by the Social Security Board, by State and source of funds, fiscal year 1940-41*¹

| State | Amount (in thousands) | | | | Percentage distribution ² | | |
|---------------------------|-----------------------|--------------------|------------------|-------------|--------------------------------------|-------------------|-------------|
| | Total | Federal funds | State funds | Local funds | Federal funds | State funds | Local funds |
| 51 States, total..... | \$505,053 | \$251,254 | \$205,028 | \$48,771 | 49.7 | 40.6 | 9.7 |
| Alabama..... | 2,213 | 1,100 | 643 | 470 | 49.7 | 29.1 | 21.2 |
| Alaska..... | 521 | ³ 255 | ³ 266 | — | ³ 49.0 | ³ 51.0 | — |
| Arizona..... | 2,858 | 1,426 | 1,432 | — | 49.9 | 50.1 | — |
| Arkansas..... | 2,215 | 1,107 | 1,108 | — | 50.0 | 50.0 | — |
| California..... | 68,344 | 34,172 | 17,124 | 17,048 | 50.0 | 25.1 | 24.9 |
| Colorado..... | 15,972 | 7,252 | 8,720 | — | 45.4 | 54.6 | — |
| Connecticut..... | 5,766 | 2,883 | 2,883 | — | 50.0 | 50.0 | — |
| Delaware..... | 347 | 173 | 174 | — | 50.0 | 50.0 | — |
| District of Columbia..... | 1,049 | 524 | 525 | — | 50.0 | 50.0 | — |
| Florida..... | 5,590 | 2,795 | 2,795 | — | 50.0 | 50.0 | — |
| Georgia..... | 3,993 | 1,996 | 1,661 | 336 | 50.0 | 41.6 | 8.4 |
| Hawaii..... | 277 | 138 | 139 | — | 50.0 | 50.0 | — |
| Idaho..... | 2,445 | 1,223 | 1,222 | — | 50.0 | 50.0 | — |
| Illinois..... | 37,609 | 18,804 | 18,805 | — | 50.0 | 50.0 | — |
| Indiana..... | 14,600 | 7,289 | 4,381 | 2,930 | 49.9 | 30.0 | 20.1 |
| Iowa..... | 13,943 | ⁴ 7,314 | 6,629 | — | ⁴ 52.5 | 47.5 | — |
| Kansas..... | 6,555 | 3,247 | 1,397 | 1,911 | 49.5 | 21.3 | 29.2 |
| Kentucky..... | 5,715 | 2,857 | 2,858 | — | 50.0 | 50.0 | — |
| Louisiana..... | 5,212 | 2,603 | 2,609 | — | 49.9 | 50.1 | — |
| Maine..... | 3,255 | 1,627 | 1,628 | — | 50.0 | 50.0 | — |
| Maryland..... | 3,862 | 1,931 | 1,287 | 644 | 50.0 | 33.3 | 16.7 |
| Massachusetts..... | 29,994 | 14,663 | 10,221 | 5,110 | 48.9 | 34.1 | 17.0 |
| Michigan..... | 15,822 | 7,820 | 8,002 | — | 49.4 | 50.6 | — |
| Minnesota..... | 15,923 | 7,961 | 5,308 | 2,654 | 50.0 | 33.3 | 16.7 |
| Mississippi..... | 2,558 | 1,277 | 1,281 | — | 49.9 | 50.1 | — |
| Missouri..... | 21,249 | 10,618 | 10,631 | — | 50.0 | 50.0 | — |
| Montana..... | 2,812 | 1,406 | 950 | 456 | 50.0 | 33.8 | 16.2 |
| Nebraska..... | 6,165 | 3,082 | 3,083 | — | 50.0 | 50.0 | — |
| Nevada..... | 735 | 367 | 184 | 184 | 50.0 | 25.0 | 25.0 |
| New Hampshire..... | 1,658 | 829 | 415 | 414 | 50.0 | 25.0 | 25.0 |
| New Jersey..... | 7,748 | 3,874 | 2,906 | 968 | 50.0 | 37.5 | 12.5 |
| New Mexico..... | 961 | 476 | 485 | — | 49.5 | 50.5 | — |
| New York..... | 35,321 | 17,328 | 9,184 | 8,809 | 49.1 | 26.0 | 24.9 |
| North Carolina..... | 4,476 | 2,238 | 1,228 | 1,010 | 50.0 | 27.4 | 22.6 |
| North Dakota..... | 1,817 | 911 | 771 | 135 | 50.1 | 42.4 | 7.5 |
| Ohio..... | 36,487 | 18,206 | 18,281 | — | 49.9 | 50.1 | — |
| Oklahoma..... | 16,057 | 8,028 | 8,029 | — | 50.0 | 50.0 | — |
| Oregon..... | 5,023 | 2,512 | 1,507 | 1,004 | 50.0 | 30.0 | 20.0 |
| Pennsylvania..... | 26,415 | 13,207 | 13,208 | — | 50.0 | 50.0 | — |
| Rhode Island..... | 1,663 | 831 | 832 | — | 50.0 | 50.0 | — |
| South Carolina..... | 1,674 | 837 | 837 | — | 50.0 | 50.0 | — |
| South Dakota..... | 3,459 | 1,729 | 1,730 | — | 50.0 | 50.0 | — |
| Tennessee..... | 4,866 | 2,433 | 1,825 | 608 | 50.0 | 37.5 | 12.5 |
| Texas..... | 19,793 | 9,896 | 9,897 | — | 50.0 | 50.0 | — |
| Utah..... | 3,977 | 1,981 | 1,400 | 596 | 49.8 | 35.2 | 15.0 |
| Vermont..... | 1,090 | 545 | 545 | — | 50.0 | 50.0 | — |
| Virginia..... | 2,313 | 1,156 | 723 | 434 | 50.0 | 31.3 | 18.7 |
| Washington..... | 14,181 | 7,090 | 7,091 | — | 50.0 | 50.0 | — |
| West Virginia..... | 3,151 | 1,575 | 1,576 | — | 50.0 | 50.0 | — |
| Wisconsin..... | 14,330 | 7,165 | 4,345 | 2,820 | 50.0 | 30.3 | 19.7 |
| Wyoming..... | 994 | 497 | 267 | 230 | 50.0 | 26.9 | 23.1 |

¹ Represents obligations incurred or disbursements for money payments and assistance in kind; excludes payments for medical care, hospitalization, burial, and administration.

² Based on unrounded data.

³ Estimated for part of period.

⁴ Addendum to Federal grant for assistance, which may be used for administrative expenses, assistance, or both, was used entirely for assistance.

Table D-8.—*Aid to dependent children: Expenditures for assistance to recipients, under State plans approved by the Social Security Board, by State and source of funds, fiscal year 1940-41*¹

| State | Amount (in thousands) | | | | Percentage distribution ² | | |
|-------------------------------------|-----------------------|---------------|-------------|-------------|--------------------------------------|-------------|-------------|
| | Total | Federal funds | State funds | Local funds | Federal funds | State funds | Local funds |
| 44 States, total ³ | \$141, 591 | \$57, 528 | \$56, 078 | \$27, 985 | 40. 6 | 39. 6 | 19. 8 |
| Alabama..... | 964 | 482 | 241 | 241 | 50. 0 | 25. 0 | 25. 0 |
| Arizona..... | 970 | 485 | 485 | ----- | 50. 0 | 50. 0 | ----- |
| Arkansas..... | 941 | 470 | 471 | ----- | 50. 0 | 50. 0 | ----- |
| California..... | 8, 741 | 3, 041 | 3, 242 | 2, 458 | 34. 8 | 37. 1 | 28. 1 |
| Colorado..... | 2, 249 | 1, 125 | 562 | 562 | 50. 0 | 25. 0 | 25. 0 |
| Delaware..... | 234 | 112 | 61 | 61 | 48. 0 | 26. 0 | 26. 0 |
| District of Columbia..... | 427 | 198 | 229 | ----- | 46. 5 | 53. 5 | ----- |
| Florida ⁴ | 901 | 450 | 451 | ----- | 50. 0 | 50. 0 | ----- |
| Georgia..... | 1, 165 | 582 | 482 | 101 | 50. 0 | 41. 4 | 8. 6 |
| Hawaii..... | 533 | 235 | 298 | ----- | 44. 1 | 55. 9 | ----- |
| Idaho..... | 1, 051 | 525 | 526 | ----- | 50. 0 | 50. 0 | ----- |
| Indiana..... | 5, 923 | 2, 728 | 1, 915 | 1, 280 | 46. 1 | 32. 3 | 21. 6 |
| Kansas..... | 2, 287 | 1, 032 | 485 | 770 | 45. 1 | 21. 2 | 33. 7 |
| Louisiana..... | 4, 513 | 2, 071 | 2, 442 | ----- | 45. 9 | 54. 1 | ----- |
| Maine..... | 738 | 299 | 199 | 240 | 40. 6 | 26. 9 | 32. 5 |
| Maryland..... | 2, 607 | 1, 303 | 1, 068 | 236 | 50. 0 | 40. 9 | 9. 1 |
| Massachusetts..... | 8, 746 | 2, 597 | 2, 915 | 3, 234 | 29. 7 | 33. 3 | 37. 0 |
| Michigan..... | 9, 661 | 3, 744 | 5, 082 | 835 | 38. 8 | 52. 6 | 8. 6 |
| Minnesota..... | 3, 800 | 1, 716 | 817 | 1, 267 | 45. 2 | 21. 5 | 33. 3 |
| Mississippi ⁵ | 38 | 19 | 19 | ----- | 50. 0 | 50. 0 | ----- |
| Missouri..... | 4, 133 | 2, 066 | 2, 067 | ----- | 50. 0 | 50. 0 | ----- |
| Montana..... | 861 | 430 | 301 | 130 | 50. 0 | 34. 9 | 15. 1 |
| Nebraska ⁶ | 2, 003 | 1, 001 | 1, 002 | ----- | 50. 0 | 50. 0 | ----- |
| New Hampshire..... | 336 | 126 | 210 | ----- | 37. 6 | 62. 4 | ----- |
| New Jersey..... | 4, 147 | 1, 947 | 775 | 1, 425 | 47. 0 | 18. 7 | 34. 3 |
| New Mexico..... | 633 | 302 | 331 | ----- | 47. 7 | 52. 3 | ----- |
| New York..... | 19, 122 | 5, 815 | 3, 843 | 9, 464 | 30. 4 | 20. 1 | 49. 5 |
| North Carolina..... | 1, 941 | 970 | 522 | 449 | 50. 0 | 26. 9 | 23. 1 |
| North Dakota..... | 910 | 448 | 235 | 227 | 49. 3 | 25. 8 | 24. 9 |
| Ohio..... | 5, 290 | 2, 151 | 1, 391 | 1, 748 | 40. 7 | 26. 3 | 33. 0 |
| Oklahoma..... | 3, 399 | 1, 699 | 1, 700 | ----- | 50. 0 | 50. 0 | ----- |
| Oregon..... | 956 | 369 | 352 | 235 | 38. 5 | 36. 9 | 24. 6 |
| Pennsylvania..... | 23, 432 | 9, 108 | 14, 324 | ----- | 38. 9 | 61. 1 | ----- |
| Rhode Island..... | 699 | 284 | 242 | 173 | 40. 5 | 34. 7 | 24. 8 |
| South Carolina..... | 650 | 325 | 325 | ----- | 49. 9 | 50. 1 | ----- |
| South Dakota ⁷ | 192 | 96 | 96 | ----- | 50. 0 | 50. 0 | ----- |
| Tennessee..... | 3, 181 | 1, 591 | 1, 060 | 530 | 50. 0 | 33. 3 | 16. 7 |
| Utah..... | 1, 741 | 695 | 785 | 261 | 39. 9 | 45. 1 | 15. 0 |
| Vermont..... | 240 | 120 | 60 | 60 | 50. 0 | 25. 0 | 25. 0 |
| Virginia..... | 948 | 474 | 296 | 178 | 50. 0 | 31. 3 | 18. 7 |
| Washington..... | 1, 961 | 980 | 981 | ----- | 50. 0 | 50. 0 | ----- |
| West Virginia..... | 2, 451 | 1, 226 | 1, 225 | ----- | 50. 0 | 50. 0 | ----- |
| Wisconsin..... | 5, 590 | 1, 948 | 1, 886 | 1, 756 | 34. 9 | 33. 7 | 31. 4 |
| Wyoming..... | 286 | 143 | 79 | 64 | 50. 0 | 27. 7 | 22. 3 |

¹ Represents obligations incurred or disbursements for money payments and assistance in kind; excludes payments for medical care, hospitalization, burial, and administration.

² Based on unrounded data.

³ Excludes \$571,366 expended from local funds without State or Federal participation in 4 States (see footnotes 4, 5, 6, and 7).

⁴ Excludes \$205,804 expended from local funds without State or Federal participation.

⁵ For March-June; first payments under approved plan for March. Excludes \$5,384 expended for July 1940-February 1941 from local funds without State or Federal participation.

⁶ Excludes \$165,113 expended from local funds without State or Federal participation.

⁷ For November 1940-June 1941; first payments under approved plan for November. Excludes \$195,065 expended for July 1940-June 1941 from local funds without State or Federal participation.

Table D-9.—*Aid to the blind: Expenditures for assistance to recipients, under State plans approved by the Social Security Board, by State and source of funds, fiscal year 1940-41*¹

| State | Amount (in thousands) | | | | Percentage distribution ² | | |
|-------------------------------------|-----------------------|------------------|-------------|-------------|--------------------------------------|-------------|-------------|
| | Total | Federal funds | State funds | Local funds | Federal funds | State funds | Local funds |
| 43 States, total ³ | \$13, 726 | \$6, 483 | \$4, 707 | \$2, 536 | 47. 3 | 34. 2 | 18. 5 |
| Alabama..... | 65 | 33 | 16 | 16 | 49. 9 | 25. 1 | 25. 0 |
| Arizona..... | 124 | 62 | 62 | ----- | 50. 0 | 50. 0 | ----- |
| Arkansas..... | 114 | 57 | 57 | ----- | 50. 0 | 50. 0 | ----- |
| California..... | 4, 187 | 1, 714 | 1, 238 | 1, 235 | 40. 9 | 29. 6 | 29. 5 |
| Colorado..... | 205 | 103 | 51 | 51 | 50. 0 | 25. 0 | 25. 0 |
| Connecticut ⁴ | 60 | 30 | 30 | ----- | 50. 0 | 50. 0 | ----- |
| District of Columbia..... | 74 | 37 | 37 | ----- | 50. 0 | 50. 0 | ----- |
| Florida ⁵ | 391 | 195 | 196 | ----- | 50. 0 | 50. 0 | ----- |
| Georgia..... | 171 | 85 | 71 | 15 | 50. 0 | 41. 5 | 8. 5 |
| Hawaii..... | 13 | 6 | 7 | ----- | 50. 0 | 50. 0 | ----- |
| Idaho..... | 75 | 37 | 38 | ----- | 50. 0 | 50. 0 | ----- |
| Indiana..... | 591 | 295 | 296 | ----- | 50. 0 | 50. 0 | ----- |
| Iowa..... | 427 | ⁶ 235 | 85 | 107 | ⁶ 55. 1 | 19. 9 | 25. 0 |
| Kansas..... | 340 | 168 | 65 | 107 | 49. 4 | 19. 1 | 31. 5 |
| Louisiana..... | 224 | 111 | 113 | ----- | 49. 8 | 50. 2 | ----- |
| Maine..... | 307 | 153 | 154 | ----- | 50. 0 | 50. 0 | ----- |
| Maryland..... | 174 | 87 | 26 | 61 | 50. 0 | 15. 0 | 35. 0 |
| Massachusetts..... | 326 | 163 | 163 | ----- | 50. 0 | 50. 0 | ----- |
| Michigan..... | 302 | 151 | 151 | ----- | 50. 0 | 50. 0 | ----- |
| Minnesota..... | 305 | 151 | 154 | ----- | 49. 7 | 50. 3 | ----- |
| Mississippi..... | 94 | 47 | 47 | ----- | 50. 0 | 50. 0 | ----- |
| Montana..... | 58 | 29 | 20 | 9 | 50. 0 | 34. 6 | 15. 4 |
| Nebraska ⁷ | 171 | 85 | 86 | ----- | 50. 0 | 50. 0 | ----- |
| New Hampshire..... | 87 | 43 | 44 | ----- | 50. 0 | 50. 0 | ----- |
| New Jersey..... | 208 | 104 | ----- | 104 | 50. 0 | ----- | 50. 0 |
| New Mexico..... | 50 | 25 | 25 | ----- | 49. 8 | 50. 2 | ----- |
| New York..... | 865 | 425 | 225 | 215 | 49. 1 | 26. 1 | 24. 8 |
| North Carolina..... | 341 | 171 | 89 | 81 | 50. 0 | 26. 2 | 23. 8 |
| North Dakota..... | 57 | 28 | 29 | ----- | 50. 0 | 50. 0 | ----- |
| Ohio..... | 952 | 472 | 147 | 333 | 49. 6 | 15. 4 | 35. 0 |
| Oklahoma..... | 416 | 208 | 208 | ----- | 50. 0 | 50. 0 | ----- |
| Oregon..... | 135 | 67 | 41 | 27 | 50. 0 | 30. 0 | 20. 0 |
| Rhode Island..... | 16 | 8 | 8 | ----- | 49. 9 | 50. 1 | ----- |
| South Carolina..... | 97 | 48 | 49 | ----- | 50. 0 | 50. 0 | ----- |
| South Dakota..... | 54 | 27 | 27 | ----- | 50. 0 | 50. 0 | ----- |
| Tennessee..... | 218 | 109 | 82 | 27 | 50. 0 | 37. 5 | 12. 5 |
| Utah..... | 57 | 28 | 21 | 8 | 48. 9 | 36. 1 | 15. 0 |
| Vermont..... | 39 | 19 | 20 | ----- | 50. 0 | 50. 0 | ----- |
| Virginia..... | 155 | 78 | 48 | 29 | 50. 0 | 31. 2 | 18. 8 |
| Washington..... | 393 | 196 | 197 | ----- | 50. 0 | 50. 0 | ----- |
| West Virginia..... | 179 | 89 | 90 | ----- | 50. 0 | 50. 0 | ----- |
| Wisconsin..... | 561 | 280 | 170 | 111 | 50. 0 | 30. 3 | 19. 7 |
| Wyoming..... | 48 | 24 | 24 | ----- | 49. 0 | 51. 0 | ----- |

¹ Represents obligations incurred or disbursements for money payments and assistance in kind; excludes payments for medical care, hospitalization, burial, and administration.

² Based on unrounded data.

³ Excludes \$12,116 expended from State and local funds without Federal participation in 3 States (see footnotes 4, 5, and 7).

⁴ Excludes \$10,601 expended from State funds without local or Federal participation.

⁵ Excludes \$434 expended from local funds without State or Federal participation.

⁶ Federal grant for administration used for assistance.

⁷ Excludes \$1,081 expended from local funds without State or Federal participation.

Table D-10.—*Expenditures for administration of public assistance in States with plans approved by the Social Security Board, fiscal year 1940-41*¹

| | <i>Amount</i> |
|--------------------------------|----------------|
| Total..... | \$43, 165, 885 |
| Old-age assistance..... | 30, 649, 994 |
| Aid to dependent children..... | 11, 200, 673 |
| Aid to the blind..... | 1, 315, 218 |

¹ Represents expenditures at State and local levels for public assistance, other than assistance payments; includes expense of determining original and continuing eligibility to receive assistance and of providing financial assistance to recipients and services incident to such assistance. Excludes Hawaii for which data are not available.

Current Information

Current information on aspects of the social security program is made available by the Board in the periodic publications listed below, which are on sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. Purchase orders, accompanied by remittance, should be addressed to that office.

The Social Security Bulletin, a monthly publication, contains special articles and current data on operations of old-age and survivors insurance, employment security, and public assistance programs, and on the results of research and analysis pertinent to the social security program. Announcement of research and technical reports of the Board is made currently in the Bulletin and in the Monthly Catalog issued by the Superintendent of Documents. The subscription price of the Bulletin is \$2 a year in the United States, Canada, and Mexico; \$3.75 a year in other countries; single copies, 20 cents.

The Social Security Yearbook, annual supplement to the Bulletin, provides a summary of calendar-year operations and analyses of socio-economic aspects of the social security program, with bibliographic notes on sources of more detailed information available from publications of the Social Security Board. It contains a list of printed and processed reports issued by the Social Security Board and of Federal documents pertaining to social security programs. The price of the first issue, 1939, is 50 cents; the 1940 Yearbook is in press.

The Employment Security Review, designed especially for State and local employment security personnel, is a monthly publication containing articles on subjects pertaining to the employment security program and related fields. Subscription price, \$1 a year; single copies, 10 cents.

Unemployment Compensation Interpretation Service, Benefit Series, is a monthly indexed compilation of selected State decisions, opinions, and interpretations on appealed claims for unemployment benefits rendered under State unemployment compensation laws. Beginning with April 1941, important State decisions on coverage are included, consolidating with the Benefit Series the State Series formerly issued and distributed by the Board for administrative use only. Subscription price, \$5 a year; single copies, 50 cents.

In addition, brief informational circulars on administrative aspects of the Board's program are available free of charge on request to the Social Security Board or any of its regional or field offices.

Information on maternal and child health services, services for crippled children, and child welfare services under the Social Security Act may be obtained from the Children's Bureau, Department of Labor, Washington, D. C.

Information on vocational rehabilitation and public health programs under the Social Security Act, respectively, may be obtained from the Office of Education and the United States Public Health Service, Federal Security Agency, Washington, D. C.

The Bureau of Internal Revenue, Treasury Department, Washington, D. C., should be consulted for information on the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

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